

JUNE 1953

**NATIONAL
REAL ESTATE
and BUILDING
JOURNAL**

WHERE IS THE MORTGAGE MARKET HEADED?

WHAT EFFECT FHA-VA INTEREST RATE INCREASE . . .

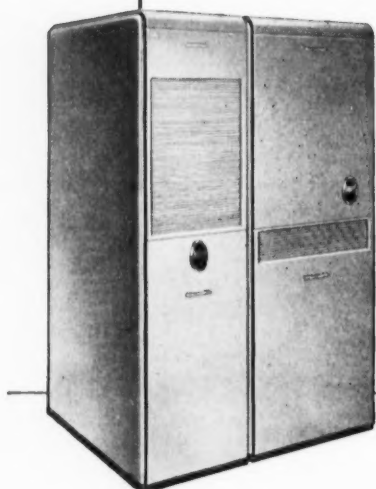
★ ON HOME BUILDING VOLUME?

★ ON THE MORTGAGE MARKET?

Sign of a good year for Builders!



**Bryant's low cost "Command-Aire" Twins make
year 'round conditioning a practical sales feature . . .
help attract more prospects . . . clinch sales . . . boost profits!**



Here's the exciting, new sales feature you've been looking for. It's year 'round home conditioning that's . . .

30% to 50% lower in cost! We're mass producing the "Twins" to bring the price way down—to make it possible for you to offer year 'round conditioning in moderately priced homes . . . to mass-market buyers! Moreover, you can offer . . .

Cooling initially—or later! The "Twins" are independent, matched heating and cooling units. You can install and show both units in your model home, and offer in the others, the immediate or later addition of cooling according to the convenience of the buyer. And you needn't worry about space because the "Twins" offer . . .

Unusually compact design! You can tuck them away in a closet, alcove or utility room . . . save up to 100 dollars in space costs per home. And you have a wide range of combinations to choose from—gas or oil furnaces ranging from 50,000 to 175,000 Btu/hr and cooling units in 2, 3 and 5-ton capacities.

Get complete information on the "Twins" today. And ask about Bryant's supporting program to help you sell your homes. Contact your Bryant Distributor or write: Bryant Heater Division, 17825 St. Clair Avenue, Cleveland, Ohio.

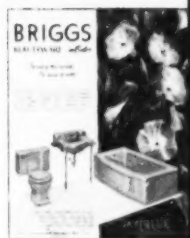
bryant®

means business . . . better business for builders

Everyone wants two bathrooms!



The Briggs name means **QUALITY** to millions of readers of leading national magazines. Through advertisements like this one, they have learned about famous Briggs colors, Briggs' uniform acid-resistance and many other features that make Briggs Beautyware the choice of smart home owners.



Briggs brass fittings meet the same high requirements as Briggs Beautyware bathtubs, lavatories and closets. They are of excellent design, engineered and built for long, dependable service. Always specify Briggs fittings with Briggs Beautyware fixtures.



Sell homes faster with two bathrooms of

BRIGGS *Beautyware*

Every new home salesman knows that a tough prospect will often sign on the dotted line after seeing a single feature that happens to catch his fancy. And it's well known that they *all* go for two bathrooms of Briggs Beautyware in gorgeous pastel colors.

With ultra-modern, smooth flowing lines, Briggs Beautyware fixtures have eye-catching appeal that stops the customer at the very first glance. And the second Briggs bathroom more than doubles that appeal.

Your reputation can grow with Briggs Beautyware, too. Sturdy and dependable Briggs fixtures have been making satisfied customers for years and years—and keeping them! Built to last and look new longer, Briggs Beautyware is thoroughly acid-resistant. Colors never fade. Any home owner will be proud to have visitors see his Briggs Beautyware bathrooms—even after years of use.

In large or small homes, specify *two bathrooms* of Briggs Beautyware in color at every opportunity.

BRIGGS MANUFACTURING COMPANY • 3001 MILLER AVENUE • DETROIT 11, MICHIGAN

© 1958

Rusco Horizontal Slide Windows are available in a range of sizes to fit conventional window openings. The standard unit consists of one horizontal slide glass insert with Lumite screen panel and one fixed light. Also available in composite unit with fixed picture window and sliding right and left hand ventilating flankers.



Now...RUSCO **HORIZONTAL SLIDE** Tubular Steel Windows!

New Addition to Prime Window Line Makes Ideal Treatment for Added Wall Space, Bedroom and Bathroom Privacy, Above Sinks, Etc.

The F. C. Russell Company has now applied the proven engineering principles of its widely-accepted vertical-slide Prime Window to a new line of Horizontal Slide Windows. These Horizontal Slide Windows offer the same exclusive features and advantages. Frame and window members are of streamlined, rigid, tubular

galvanized steel, bonderized and finished with baked-on outdoor enamel. They are supplied as completely finished assemblies and provide the same ease and speed of installation and convenience during construction.

Rusco Horizontal Slide Prime Windows ideally meet design and construction requirements for high window placement, such as in ranch type houses, where added usable wall space is desired, and in hard-to-reach places such as over sinks, bathtubs, etc. They assure greater ease of operation at shoulder-high or head levels.

**Rusco Prime Windows Are Fully Pre-Assembled
Factory-Painted, Hardware Attached—
All Ready to Install in Window Opening!**



Sliding Glass and Screen Inserts easily removed from inside for convenience in cleaning. The Rusco removable sash feature has tremendous appeal as a convenience and safety feature.

GLASS • SCREEN

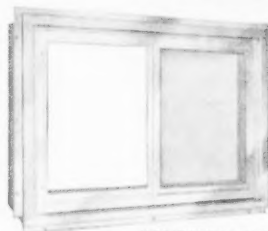
BUILT-IN WEATHERSTRIPPING

INSULATING SASH (Optional)

WOOD OR METAL CASING

...OR STEEL FINIS

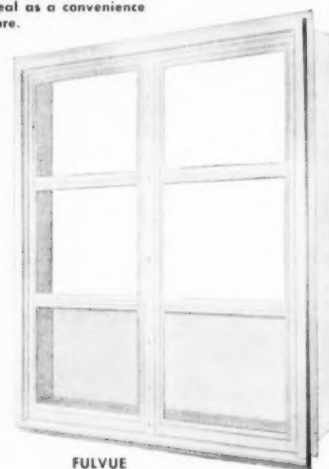
all in one unit!



HORIZONTAL SLIDE



VERTICAL SLIDE



FULLVIEW

RUSCO

**Galvanized
Steel**

PRIME WINDOWS

FOR COMPLETE SPECIFICATIONS
AND ILLUSTRATED CATALOG, WRITE

THE F. C. RUSSELL COMPANY

CLEVELAND 1, OHIO DEPARTMENT 7NR-63
IN CANADA: TORONTO 13, ONTARIO

NATIONAL REAL ESTATE AND BUILDING JOURNAL is entered as second class matter, August, 1942, at the post office, Cedar Rapids, Iowa, under the Act of Congress, March 3, 1879. Copyright 1953, by Stamats Publishing Company. Member, Audit Bureau of Circulations. Terms: 50 cents a copy; \$4 a year, \$7 two years, \$10 three years in the United States. In Canada, \$5 a year; in all other countries, \$6.50 a year. Back issues \$1, except Roster.

Look!
Compare!

American Kitchens

See the features that help

TURN "LOOKERS" INTO BUYERS!



American Kitchens features that help sell homes faster:

1. Easy to clean—smooth surfaces with no dirt-catching handles. Today women are looking for homes with convenience work-saving features!
2. One-piece tops of lifetime vinyl—no seams to catch dirt. Choice of 4 colors: red, blue, green or black to add sales appeal to your houses.
3. Sink bowl 15% larger—no dirt-catching ledge. An exclusive American Kitchens feature that is a selling plus!
4. American Kitchens Roto-Tray Dishwasher—really work-free dishwasher. Proved the

one appliance that sells homes fastest.

5. Giant storage space at fingertip level. Solves sales stumbling-block of insufficient kitchen storage room.

6. Rounded one-piece drawers clean as easily as wiping out a bowl. An American Kitchens sales-maker that demonstrates superior die-formed steel construction.

7. Convenience feature—step-saving exclusive Serv-Cart... the kind of feature that helps turn "lookers" into buyers.

**American
KITCHENS**

"SAVE 1000 STEPS A DAY"

American Kitchens Division
AVCO Manufacturing Corporation
Connersville, Indiana, Dept. No. NR6
Please send me complete information
about American Kitchens and your
new Architects' and Builders' File.

Name _____
Address _____
City _____
Zone _____ State _____

AMERICAN KITCHENS DIVISION  CONNERSVILLE, INDIANA



Unusual design of ranch-type apartments adds distinction to Fairmont Acres.



Typical "Ranch Apartment" kitchen streamlines work with this line-up of Frigidaire Washer, Dryer and "Thrifty-30" Electric Range.



Frigidaire Refrigerator, the last word in modern food-keeping convenience, completes this work-saving Frigidaire-equipped apartment kitchen.

FAIRMONT ACRES . . .

Dayton's newest subdivision . . .
is equipped throughout with
Frigidaire Appliances

LOCATION: Dayton, Ohio

BUILDER: Swango Construction Company

Fairmont Acres, located in the southeast section of Dayton, offers prospective customers a choice of two types of dwellings, an interesting variety of street layout, and the finest of household appliances—Frigidaire. When completed, this latest project of Swango Construction Company will total 600 houses and 40 "Ranch Apartment" buildings. To date, 250 houses have been completed and sold, and 25 apartment buildings have been rented.

The part Frigidaire Appliances play in influencing house sales is well known. Each Fairmont Acres home when sold included a Frigidaire Automatic Washer and Electric Clothes Dryer, and all the apartments a Frigidaire Refrigerator, Electric Range, Washer and Dryer, thus bearing out these products' sales appeal.

Whether you choose them for large homes, housing projects or apartments, Frigidaire Appliances add to the desirability of *any* dwelling. To get complete information about the many fine Frigidaire Household Appliances, call your Frigidaire Dealer—or the Frigidaire Distributor or Factory Branch that serves your area. Look for the name in the Yellow Pages of your phone book. Or write Frigidaire Division of General Motors, Dept. 2099, Dayton 1, Ohio. In Canada, Toronto 13, Ontario.

FRIGIDAIRE Built and backed by General Motors

*Enjoy Arthur Godfrey's daytime show
on TV or radio.*

Refrigerators • Electric Ranges • Home Laundry Equipment • Food Freezers
Electric Water Heaters • Air Conditioners • Electric Dehumidifier



MENGEL *Mahogany* FLUSH DOORS
GIVE YOU A SALES "PLUS"
yet cost less than many domestic woods!

Genuine African Mahogany has long been acknowledged the Aristocrat of Woods . . . has long been synonymous with "Quality" to architect, contractor and home-owner alike.

Now Mengel offers you the unsurpassed beauty and sophistication of genuine African Mahogany, in all your doors, *for less money than you'd pay for comparable doors, faced with many domestic woods!*

Why? Because The Mengel Company operates its own logging concession in Africa's best Mahogany section, imports top-quality logs in tremendous volume, and passes the savings on to you.

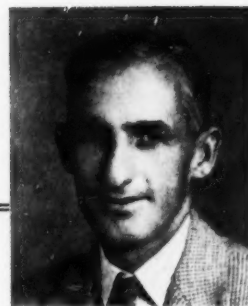
Mengel Mahogany Flush Doors and Standard Mahogany Flush Doors are designed, engineered and built to be *better* doors in their respective classes. Compare specifications and be convinced.



Door Department, THE MENGEL COMPANY, Louisville 1, Kentucky

"PERFECT HOME MAGAZINE is the best goodwill builder we have ever used,"

says L. A. Parks of Statesville, North Carolina



L. A. Parks, partner and general manager of Parks Realty Company, is an active community leader in Statesville as well as a leading real estate broker and builder. His firm has specialized for 26 years in sales, loans, property management, insurance, and appraisals as well as subdivision development. Mr. Parks is a former president of the Statesville Board of Realtors and the Statesville Chamber of Commerce, and first chairman of the City Zoning Board.

"PERFECT HOME stands head and shoulders above anything of its kind," says L. A. Parks general manager of the Parks Realty Company, Statesville, North Carolina. "The artistic treatment of the cover, the striking and colorful illustrations and the careful selection of editorial material lend that touch of dignity that every business needs.

"During the 12 years we have sponsored PERFECT HOME it has been our best goodwill builder. People on our mailing list look forward to receiving each issue. They agree with us that PERFECT HOME is alive with new ideas for those who wish to remodel, redecorate, or refurnish their homes or build new ones, and we are constantly being congratulated upon our sponsorship of it."

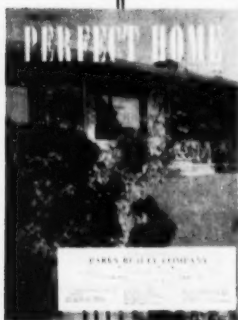
Enthusiasm such as this from Mr. Parks is a constant challenge to the editorial staff of PERFECT HOME to make it and keep it the excellent goodwill builder which it is.

PERFECT HOME is edited for leaders as a community force. It promotes the "home" idea, connoting as it does quality, fair dealing, high ethics, and a thorough knowledge of what is new in home design, construction, equipment, and decoration. Thus it builds prestige, goodwill, public confidence.

The cost of such quality and interest in a house publication would ordinarily be too high for individual organizations. But through the PERFECT HOME Plan, editorial and other preparation costs are shared among the selected, reliable, local building factors which benefit from it. Thus costs to each participant are nominal.

A limited number of exclusive, annual, renewable franchises for PERFECT HOME Magazine are available in certain communities to real estate, home building, or home financing organizations of unusually high qualifications.

If interested, address your inquiry to

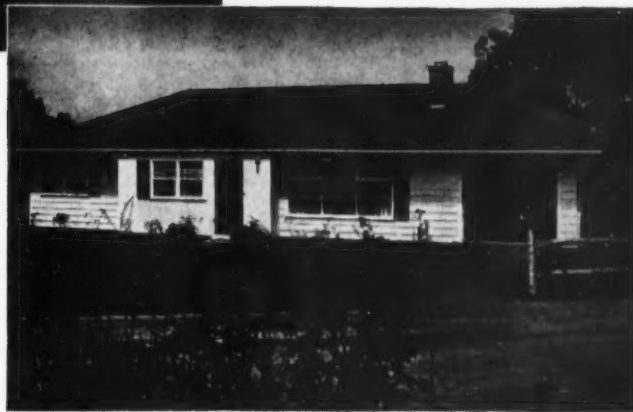


STAMATS PUBLISHING COMPANY
CEDAR RAPIDS, IOWA



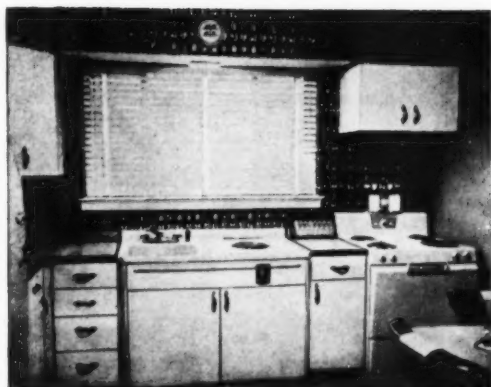
"We're an old-time building firm," says Mr. L. E. Breuninger, Jr., builder, of Landon Village, Maryland—"but we've discovered a lot of new 'wrinkles' in home building. One of them is to include an *Electric Range* in every kitchen, regardless of the type of house or its size. Not all home buyers look for the same construction features—but they all want the advantages of cooking with an *Electric Range*."

"We put a placard on the *Electric Range* in each model house to show that it's included in *all* our new houses," says Mr. Michael Campanelli of the Natick Building Company, Natick, Mass. "We consider the electric range an important selling feature. It always attracts the ladies. We always have house sales 'cooking' with the help of this appliance."



MARYLAND AND MASSACHUSETTS—

they agree on electric ranges!



The complete "package" in every Landon Village kitchen includes electric dishwasher, food waste disposer, big electric refrigerator, steel cabinets, and built-in ventilating fan. And the range—of course, it's **ELECTRIC!**

Here are two builders in different parts of the country, but they're unanimous on one home feature—*Electric Ranges*! That's because home buyers in all parts of the country agree that cooking with an *Electric Range* is both economical and easy, and assures a clean, cool kitchen. Are you taking advantage of this preference in the homes *you* build? No matter what their location or price bracket, the modern *Electric Range* can help you *sell* them!

More builders every day

are installing **ELECTRIC RANGES** 

ELECTRIC RANGE SECTION

National Electrical Manufacturers Association
155 East 44th Street, New York 17, N. Y.

ADMIRAL • BENDIX • COOLERATOR • CROSLEY • DEEPPREEZE
FRIGIDAIRE • GENERAL ELECTRIC • GIBSON • HOTPOINT • KELVINATOR
MAGIC CHEF • MONARCH • NORGE • PHILCO • WESTINGHOUSE

NATIONAL REAL ESTATE and BUILDING JOURNAL

Published monthly for real estate builders, property managers, and real estate brokers, by Stamatz Publishing Company. Publication offices and general headquarters — 427 Sixth Avenue, Southeast, Cedar Rapids, Iowa

Subscription prices: \$4 a year, \$7 two years, \$10 three years in the United States. In Canada, \$5 a year; in all other countries, \$6.50 a year. Single copies 50 cents; back copies except Roster issue \$1. Member ABC.

VOL. 54 NO. 6



JUNE 1953

CONTENTS

About the Authors	16	It Pays to Personalize Your Management Service By Earl B. Teckemeyer	32
Product Progress	16	Are We Overlooking the Demand for Colonial Styling?	34
George F. Anderson's Open Forum	18	Tax Facts By E. H. Welter	36
Editorial	21	Business at Home	37
Where is the Mortgage Market Headed By C. Arnel Nutter	22	Homes Our Readers Are Building	38
What Effect FHA-VA Interest Rate Increases? By Roger Lakey	24	How to Set Up an Appraisal Department	40
Tenants Like to Live Here	26	A \$3 Million Gamble By Ruth Boyer Scott	42
Make Your Clients Want to Buy	28	The Law Says By George F. Anderson	44
Are You Getting the Most from TV Advertising? By Roger C. Perry	30	Among Ourselves	48
A Little Ingenuity Goes a Long Way	31		

THE JOURNAL REPORTS



Where Do the New 4½% Rates Apply?

On May 2, the administration authorized FHA interest rates to be boosted to 4½%. For FHA, the new rate applies to loans under Sections 203, 603-610, 903, and Title I, Section 8. For loans under Section 207 and Section 608-610, the maximum interest allowable is 4¼%. If the mortgagee, or lender asks, the new rates apply to applications in process and commitments outstanding. For military, defense, and cooperative housing types of FHA mortgages, the old rate of 4%, which is fixed by law, remains unchanged.

Industry Pushes for Easier Terms

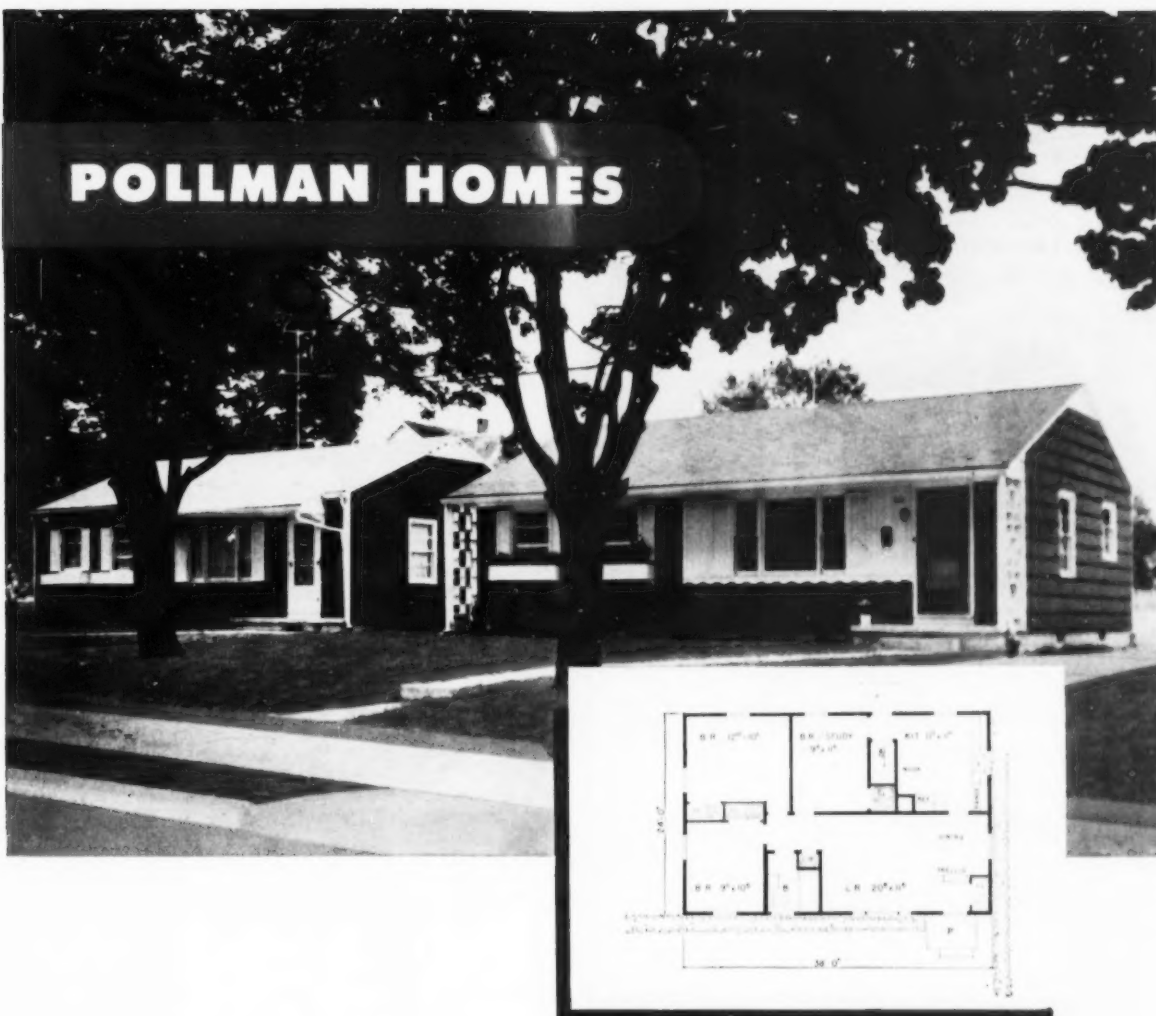
If the increase in interest rates brings a substantial flow of funds into the mortgage market, thousands of GI and non-veteran home buyers will get financial

relief. But large numbers of non-vet-purchasers will be stopped by the higher monthly payments on FHA loans caused by the higher interest rate. John Dickerman, NAHB's executive director, says lower downpayments and longer terms are necessary to stabilize the level of housing construction and at the same time give non-vets a fair break in the market.

Industry leaders are pushing for an extension of the mortgage term limit to 30 years on homes costing \$12,000 and less. "Ten years ago," Dickerman says, "a \$6,000 home could be purchased for 10% down or \$600. The same type of home today, purchased by much the same type of family, now costs \$12,000 to \$15,000. Under FHA's outmoded statutory provisions, the \$12,000 house requires 20% down, or \$2,400. Thus, while wages and costs have roughly doubled, this downpayment has quadrupled."

NAHB is urging a graduated scale which would

POLLMAN HOMES



easy to build—easy to sell—easy to finance

Homes like these move fast. Smartly styled with an efficient floor plan, Pollman Homes are designed by Richard B. Pollman. His homes are universally popular and the "Sold" sign goes up often before the paint is dry.

Best of all, since they are factory assembled, Pollman Homes go up fast—3 to 4 weeks for the average builder—occupancy in less than a month. Builders also realize substantial savings in inventory, warehousing, purchasing and administra-

tive costs—site work is kept to a minimum with Pollman panelized sections.

FHA and VA acceptance are easily obtained, and Pollman's conventional design and engineered construction meets up-to-date building codes everywhere. We suggest that you investigate the salable lines of Pollman Homes available for both northern and southern climates. Write us today, we will be happy to provide you with complete information.



THE THYER MANUFACTURING CORPORATION

TOLEDO, OHIO, 2857 Wayne Street, Tel. WA-5637 • JACKSON, MISS., 418½ East Pearl Street, Tel. 2-6561



"In East Meadow, we sold well over 200 houses with G-E Kitchens in 4 months!"



"In New Hyde Park, we sold 300 houses with G-E Kitchen-Laundry equipment in 12 months!"

Are you selling your FULL share



In this G-E Kitchen-Laundry, (A Klein and Teicholz Fawn Ridge development) there's a worksaving General Electric Dishwasher, a pushbutton G-E Electric Range, and a spacious 11-cu-ft G-E Refrigerator.

And in the timesaving laundry there's a G-E Automatic

Clothes Washer and General Electric Dryer.

When prospects see matched General Electric appliances in houses, they are delighted, and they associate the quality of the appliances with the entire construction of your houses. G-E equipment helps to sell houses faster!



"In Fawn Ridge, we sold 40 houses with G-E Kitchen-Laundry equipment in 4 months!"

"Matter of fact—all 1050 of the houses we built these past three years sold *faster* because they were General Electric equipped!"—says Mr. Kalman Klein of Klein and Teicholz, New Hyde Park, L. I., N. Y.



Mr. Kalman Klein of Klein & Teicholz

of houses today?

Houses have much greater appeal when women see all the wonderful, timesaving General Electric Kitchen-Laundry equipment, and learn that it adds as little as \$6.00 a month extra to regular monthly mortgage payments!

Even in areas where some new houses are moving slowly, a builder comes in, erects houses, equips them with General Electric Kitchen-Laundry equipment and sells them fast . . . while others remain unsold.

Why?

One reason is that most women want—and expect to find—convenient, timesaving kitchen and laundry appliances in their new homes.

Prospects are more quickly sold on the house, too, when these appliances bear the General Electric name plate. More women prefer General Electric appliances than any other make.

And here's a trump selling-point: The buyer pays only as little as \$6.00 a month more on his regular monthly mortgage

payments for the G-E Kitchen-Laundry.

We shall be glad to work with you, too!

Your G-E distributor builder specialist will work with you, and place at your disposal, all the sales experience of the General Electric Home Bureau.

He has complete promotion plans for the opening of your model house—plans that have so successfully helped other builders sell their homes faster. Lots of other important helps, too, such as the "Young America" Home Program featuring houses designed by Victor Civkin, AIA.

Never before has any manufacturer presented any builder with such a complete promotion program to help him merchandise his houses. Better get the facts today. Address: Home Bureau, General Electric Company, Louisville 2, Ky.

You can put your confidence in—

GENERAL  ELECTRIC

**Pays for Itself in
Maintenance Savings . . .**

REYNOLDS ALUMINUM



Reynolds Aluminum Windows are a good example of the superior *investment* offered by rustproof aluminum. The cost of painting and repainting ordinary windows, totalled over the mortgage life of a building, can equal the original cost of aluminum windows. After that break-even point, your maintenance savings continue as *profit*. Initial cost is low, too . . . by far the lowest of any rustproof metal. Write for literature on standard Reynolds Aluminum Building Products listed below. For curtain walls, acoustical system, insulation, roofing and siding materials . . . write **Reynolds Metals Company**, Building Products Division, 2016 South Ninth St., Louisville 1, Kentucky.

REYNOLDS Lifetime ALUMINUM GUTTERS AND DOWNSPOUTS

ROOFING AND SIDING • NAILS • FLASHING

REYNOLDS ALUMINUM RESIDENTIAL WINDOWS

(Casement, Awning, Double-Hung, Fixed and Picture Windows; also Screens, Storm Sash and Doors)

REYNOLDS ALUMINUM REFLECTIVE INSULATION



permit a 10% downpayment on a \$12,000 house up to a 20% downpayment on a \$20,000 to \$25,000 home. It is hoped this will provide long-awaited aid to families who need good housing and who have steady incomes sufficient to meet the monthly carrying charges but who haven't been able to accumulate enough cash for the high downpayments now required.

Savings Associations to Take Lead

The nation's savings associations will take the lead in the return of mortgage lenders to the GI home loan market, says Norman Strunk, executive vice president of the National Savings and Loan League. Although many prominent realtors and home builders believe the interest rate increases came too little and too late (see pages 24 and 25), Strunk is confident there will be a broad participation in the GI loan program by savings associations.

"Our institutions took the lead in getting the GI program started after World War II," Strunk says. "Now we face a comparable task in reviving the program."

Fannie May Solution

While Fannie May sits tight on its \$213 billion in home loans, NAREB directors mapped out a plan last month in Chicago for the organization of a Central National Mortgage Association and Regional National Mortgage Associations. The directors recommend that the Realtors Washington Committee be authorized to prepare legislation for organizing such associations as a secondary market for mortgagees who would be members, so as to make available at fair rates of interest mortgage funds needed for continued expansion of home and property ownership and the national economy.

According to NAREB, such associations should ultimately be privately owned by mortgagee members, should not be confined solely to insured mortgages, or to housing mortgages, but should deal in all types of mortgages. Its operation should be based upon a sound appraisal system. It should be permitted to replenish its capital through sale of debentures with proper safeguards to the public, secured by mortgages held. And it should provide for the orderly liquidation of Fannie May.

Realtor Appointed Rent Director

To take the helm of the sinking ship Rent Control, Realtor Glenwood J. Sherrard, Boston, was sworn in last month as new rent stabilization director. Serving without pay, he replaces William G. Barr, acting director. All rent control is scheduled to die on July 31 except for those areas whose housing situations come under the new, tightened definition of "critical."

Rent Decontrol Sparks Modernization

Charles B. Shattuck, NAREB president, says a giant surge of renovation and modernization of income property will be unleashed when rent control ends. This will mean the expenditure of many millions of dollars for building materials and equipment by property managers and owners, and will improve the homes of millions of tenants. Shattuck says rent decontrol will raise the housing standards of the nation, stimulate the return to the rental market of many rental units which rent control forced off the market, and will increase home ownership as financially-able tenants take long delayed action to buy homes.



... of course, it's electric!

Fits any 30" kitchen space!

The New **Westinghouse Imperial 30 Range** is more deluxe, has more capacity than most big ranges

In 30 inches of floor space, this handsome, Speed-Electric Range offers the finest, fastest cooking in America. A list of its key features shows why: 24" Miracle Sealed Oven, Super Corox®—the surface unit that gets RED HOT in 30 seconds, Look-in Door with interior oven light, full-width storage drawer, electric clock, automatic oven timer,

Tel-A-Glance Controls, Minute Timer, appliance outlet, wide fluorescent light in control panel, and "zero" rating by Underwriters' Laboratories, Inc., thus allowing installation against adjacent cabinets.

Contact your Westinghouse Distributor for complete specifications and installation data or write direct:

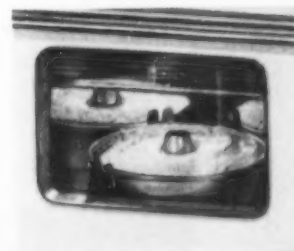
WESTINGHOUSE ELECTRIC CORPORATION
Electric Appliance Division • Mansfield, Ohio

Makers of Refrigerators, Ranges, Laundromats®, Dryers, Dishwashers, Water Heaters, Vent Fans and Food Waste Disposers.

YOU CAN BE SURE...IF IT'S Westinghouse



KING SIZE OVEN CAPACITY—Miracle sealed to allow baking in any rack position.



LOOK-IN DOOR—Big, fogproof window. Automatic interior oven light with separate manual switch.



FULL-WIDTH STORAGE DRAWER—Ideal for awkwardly sized pots and pans. Operates quietly, easily on nylon rollers.



SILK SCREENED

PROPERTY AND FOR SALE SIGNS
that Stand Out — Stop 'em — Sell 'em

There is only ONE BEST of anything — You're no doubt paying for the best. Why not have it? Why not try MOORLEE?

A complete stock of REALTOR'S & BUILDER'S STOCK ITEMS on hand — Also available through many local REALTY BOARD OFFICES.

SECRETARIES WRITE US ABOUT OUR BOARD DISTRIBUTION PLAN NOW IN OPERATION
SOLID STEEL, ANCHORED, ANGLED, SIGN STAKES

WRITE — PHONE — WIRE — PHONE — US — YOUR — NEEDS

FREE DESCRIPTIVE FULL COLOR LITERATURE AND PRICES SENT AT ONCE.

NO ORDER TOO SMALL NONE TOO LARGE

MOORLEE DISPLAY ADVERTISING
239 NORTH ROBERTSON BLVD., BEVERLY HILLS, CALIF.
BH4dshaw 2-3371 CRestview 5-1215

A SIGN OF PROGRESS

ANNOUNCING THE New KEY LOKBOX

BANISH KEY PROBLEMS FOREVER
MOST USEFUL AND TIME SAVING DEVICE EVER OFFERED

Permits 50% more time for actual Selling, Showing and Listing of Properties.

- Only one key needed to every listing in any co-operative group whether there be 10 or 10,000.
- Eliminates going after and returning key to listing office.
- Eliminates duplicate keys and key boards.

Ideal for all Sales, Rentals, Property Management, Builders, Subdividers, Architects, etc.

Perfect for any listing whether Furnished, Occupied, or Vacant.

Non-duplicating keys furnished
Pilfer — Tamper Proof
May be used on doors or windows — front or rear
Made of Durable Stainless Steel

FOR FURTHER INFORMATION

EXCLUSIVE DISTRIBUTOR
MOORLEE DISPLAY ADVERTISING
239 No. Robertson Blvd. Beverly Hills, Calif.



PATENT PENDING

ABOUT THE AUTHORS



FEW MEN are as capable of appraising the current mortgage financing situation as C. Arnel Nutter, author of "Where is the Mortgage Market Headed?" on page 22 of this issue. President of Nutter Mortgage Service, Mr. Nutter organized his company in 1931 and has built it into an outstanding sales, mortgage, and property management business. An articulate speaker and tireless worker, Mr. Nutter has served on a score of committees and in numerous executive capacities in the National Association of Real Estate Boards and Mortgage Bankers Association. In 1952 he served as chairman of the Mortgage Finance Committee of the Realtors Washington Committee's Executive Council.



FOR MANY years the JOURNAL has featured a popular column on real estate law. The man whose wit, experience, and insight have made the column so popular and valuable to realtors and builders is George F. Anderson, member of Anderson & Anderson, Chicago law firm. Admitted to the bar in 1904, the 69-year-old Anderson says he practiced law "actively, exclusively, and uninterruptedly" until he retired in 1944. His time since 1944 has been devoted to writing for real estate and building executives.

Product Progress

A Gem In June

Cory Corporation of Chicago has announced an improved Fresh'nd-Aire portable electric room dehumidifier. The removable In-A-Drawer container, which catches the water and is an emptying unit, is constructed of fiber glass making it easy to handle as well as rust and moisture resistant. The knob on the front of this In-A-Drawer unscrews so an ordinary garden hose can be attached and run to a floor drain. The unit measures 17½" high, 11¼" wide and 18½" long.

What More Can You Want?

A finish for decorating ornamental iron and other ferrous or non ferrous metals has been developed by the Tennessee Fabricating Company of Memphis. TFC ornamental iron finish has a synthetic plastic base formulated to protect the iron from rust, mildew and other elements of nature. The finish may be applied on either new or old surfaces and it is not necessary to remove the present finish. The manufacturers claim it will dry hard in three hours.

Bit O Whimsey

The Decorator, a new refrigerator produced by the International Harvester Company of Chicago, has introduced a removable cover that is fitted over the front of the unit and can be readily changed. The

(Please turn to page 46)



The little piece of paper that's selling houses today!

Even we didn't realize what a powerful selling tool this Curtis Woodwork guarantee could be! But today it's actually being used by builders to sell the *entire house*. It's not hard to find the reason why. Today's home buyers are choosy... value-wise and quality conscious. No wonder they respond to the kind of assurance they get from the Curtis name and the Curtis guarantee of quality.

The Curtis Certificate is a guarantee against manufacturing defects in materials and workmanship in any Curtis product over which Curtis has control. It is issued by the dealer who furnished the Curtis Woodwork. Architects who specify "Curtis Silentite" can be confident of satisfied clients... builders who feature the Curtis guarantee are getting substantial help in moving homes faster and at a better price.

Glazed, pre-fitted and ready to install, the Curtis Silentite window unit saves time on the job. Here, the Silentite double-hung windows flanking the picture window have the exclusive patented Silentite construction—including "floating" weatherstrips—which assures superior weather-tightness and fuel economy.

Silentite wood casements close tightly to shut out wind and dust—won't swing or rattle in the wind. They come in several sash styles and in all commonly used sizes. Special Curtis operating hardware gives easy, simple control.

The new Curtis panel windows offer a highly flexible means of providing for any desired number of window openings. Simple, yet rugged in construction, they are available for standard Thermopane or Twindow glazing. Ventilating units and louvers are furnished when desired.



Curtis Companies Service Bureau
RJ-6 Curtis Building
Clinton, Iowa
Please send booklet on Curtis Silentite windows.

Name.....

Address.....

City..... State.....

Curtis makes a complete line of architectural woodwork and birch kitchen cabinets for homes of all types. Make your next home "all Curtis."

George F. Anderson's Open Forum

A realtor writes to me that he occupied an office for many years. The owner of the building died and the property descended to the owner's son who wanted to sell it. The realtor made him an offer for it of 5% less than it was actually worth, expecting to come up if necessary. A broker called up and said he had been engaged to appraise the property and found out what the realtor had offered for it. He came over and looked at the property but it was obvious that this was not for appraisal purposes. The next thing the realtor knew was that the broker had bought the property. The realtor had no lease and probably the broker bought the property not for an investment in real estate, but to get the realtor's office and his business. The realtor wants to know if the broker was ethical. I give up when it comes to questions of ethics. It looks to me that business is pretty much a case of dog bite dog. Will you give

us the benefit of your opinion on the question?

Dear Mr. Anderson:

Here is a problem that is under discussion and one in which I am interested in obtaining opinions of anyone having a similar one.

What is the value of a building in a city of 3,500 population for: A) Book Value? B) Tax Basis?

Building cost \$60,000 in 1946, built on land leased from the railroad company.

Lease provisions are that the railroad can: A) Terminate on 60 days notice B) Builder cannot sublet only upon approval of railroad.

One authority states: "Builder has no more to offer than the privilege of use and occupancy."

In your opinion:

What is the value after six years to the builder for bookkeeping purposes?

What is the value to the builder upon which assessor of taxes could

logically form an amount upon which to tax?

If the realtor is asked to list for sale what would be the fair market value?

You have had some problems in the past. Can you top this?

William F. Brown
Tomahawk, Wisconsin

It seems to me that the builder (owner of the building) doesn't have anything here. If the owner of the land (the railroad) exercises its right to terminate the lease the builder is out on a limb. It is a question for an appraiser and not a lawyer.

Dear Mr. Anderson:

In a recent column you suggest that in non-exclusive listings, brokers incorporate the following: "This listing shall continue until I notify you that it is withdrawn," and if I understand your suggestion right you think this would enable a broker to collect a commission if he had a buyer ready and willing to purchase the property even if the property had been sold to someone else.

If that is your intention I take exception. There could be no more effective way to bring realtors into disrepute with the public than for them to attempt to collect commissions under such circumstances. There seems to be a tendency among attorneys to consider that their clients are crooks and want to take unfair advantage of others if possible — for example, some of the commission waivers they submit. Realtors should be sure that their attorneys do not misrepresent them to be unethical.

Stephen L. Angell
Scarsdale, New York

I think I should have qualified my item by saying that a sale directly by the owner revokes the listing notwithstanding it provides that it shall continue until notice of revocation is given, provided, however, the broker knows that the owner has sold the property directly. Thanks for calling it to our attention, and I'm sorry you have such a bad opinion about lawyers. Isn't it true that there are bad ones and there are also good ones?



DWYER KITCHENS

for
new apartments
and remodeling

Modern gas or electric ranges (AGA and Underwriters approved), efficient electric refrigerator with freezer compartment and pushbutton door, deep bowl sink-and-worktop, storage cupboards...streamlined into compact units 48 to 69 inches wide.

Fronts and worktops of genuine vitreous porcelain. Never require repainting; wash clean with soap and water.

Made complete in the Dwyer plant by an organization specializing in compact kitchens for more than 26 years. Durability and tenant appeal proven in thousands of nationwide installations.

Mail this coupon for literature.

**DWYER
PRODUCTS
CORPORATION**

Dept. K63
MICHIGAN CITY, IND.

SEND FOR FREE BULLETINS ON DWYER KITCHENS.

Name _____

Firm _____

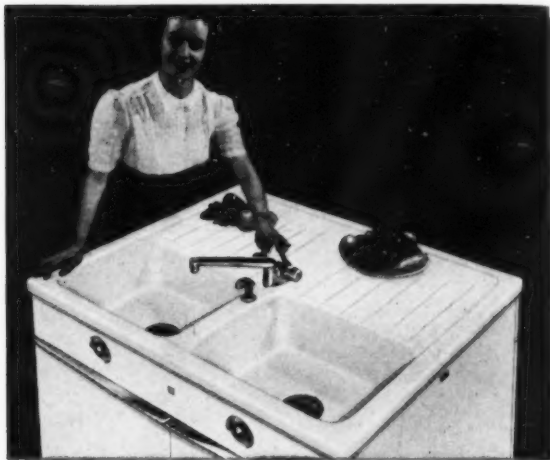
Address _____

Town _____ State _____

DWYER PRODUCTS CORPORATION, K63, Michigan City, Indiana

PRODUCT NEWS from **AMERICAN-Standard**

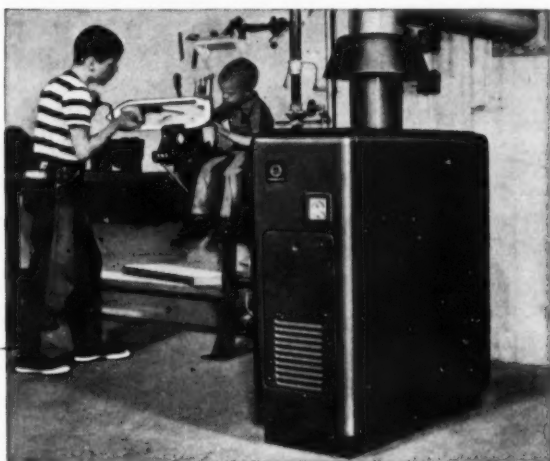
A review of products in the news and important features worth remembering



MIDWAY SINK. This new, island-type sink-and-cabinet combination saves steps and time. The 44" x 37½" unit has two deep sink bowls and spacious drainboard. Exclusive new fitting permits one-hand operation. Steel cabinet opens both front and back . . . has electrical outlets on both sides.



WINTERWAY WINTER AIR CONDITIONER. Available in three sizes to meet a wide range of heating requirements, this oil fired, basement type unit provides automatic, trouble-free heating. Long life and efficient use of fuel make it a real economy unit. It is compact, easy-to-install, easily converted to gas with no change in capacity.



EMPIRE GAS BOILER. A compact, good-looking and efficient boiler that's available in models for hot water or steam, for basement or first floor installations. Burns any type of gas. Features include pintype cast iron sections which absorb maximum heat . . . precision controls to guard safety and fuel consumption . . . heavy insulation to prevent heat loss . . . colorful, streamlined jacket.



CONVERTIBLE KITCHEN CABINETS. American-Standard all-steel cabinets are the *only* kitchen cabinets with interchangeable drawers and shelves. You can install an economical package kitchen in the homes you build. By adding extra shelves and drawers to the cabinets at any time, buyers can create deluxe kitchens to fit their particular needs.



AMERICAN-Standard

American-Standard
Dept. NR-63, Pittsburgh 30, Pa.

Without obligation on my part, please send me your free literature on:

☐ Midway Sink ☐ Winterway Winter Air Conditioner
☐ Empire Gas Boiler ☐ Kitchen Cabinets

Name

Address

City State

American Radiator & Standard Sanitary Corporation, Dept. NR-63, Pittsburgh 30, Pa.

Serving home and industry

AMERICAN-STANDARD • AMERICAN BLOWER • CHURCH SEATS & WALL TILE • DETROIT CONTROLS • KEWANEE BOILERS • ROSS EXCHANGERS



The CORONET by National Homes—best seller in Cincinnati

Cincinnati's Two Best Sellers are **BOTH NATIONAL HOMES!**

— as reported in **house + home**, April 1953

In one of the country's toughest markets—Cincinnati—the best-selling houses are Nationals built by Ohio Homes, Inc. And the next best sellers are also Nationals, erected by Runck & McClure. So says an article in the April issue of *House & Home* entitled "The Fastest Selling Houses in the USA."



Build the best sellers in *your* market—build National Homes! Get all structural parts in a complete, "brand-name" package and reduce your overhead as you increase your sales and profits. Write or wire National Homes today!

Quoting from This Article:

"Two of a kind. The selling record—now a fast 20-per-month—is all the more remarkable because the National prefabs sell for more around Cincinnati, where land development costs (improvements are about \$50 per running ft.) and labor are higher than almost anywhere else in the country. Next best seller in Cincinnati is another National prefab built by Runck & McClure.

"Ohio Homes' President Harold D. Comey attributes much of his sales success to National Homes' advertising and promotion . . . Comey, in the prefabricated-home business over 15 years, is in an excellent position to judge prefab acceptance. Says he, 'Even in a conservative community like Cincinnati the resistance is now so small that it's hardly worth mentioning.'"



OF PROPS AND PROSPERITY.....

LITTLE DOUBT is expressed by most leaders in the housing industry that the hungry demand for shelter has been satisfied. True, in some communities the demand for homes is still of boom proportions because of defense projects or industrial relocation. But in most areas the demand is on the way back to normal. It's principally based on a regular rate of new family formations, a steady population movement, and the natural desire of families to gradually improve their housing conditions.

This is a healthy sign. It is a welcome sign for those real estate and building organizations which are comprised of hard-working, conscientious, far-seeing men and women. They know that long-range success in this business is once again getting back to a basis of quality of service and quality of product. They are ready and willing to meet that challenge.

But a slackening market is dangerous, too. There are those in our industry who have been born and bred on a lush market. Some of those are refusing to recognize that the stand-in-line-to-buy days are, for the most part, over. So to keep their business picture rosy, they are running to Washington for help.

For a good many years this real estate and building industry of ours has been fighting public housing and rent control. And it has good reason. That kind of government control and interference can only lead to the kind of regimentation we hate so in communist countries. But there are those among us who decry government control on the one hand and urge government subsidy on the other. They want all the props, pills, and crutches for their business that the government can give them. At the same time, they're saying, unwittingly perhaps, "Stay out of the housing business, Washington. Private enterprise can do the job."

Control and subsidy are inseparable. One cannot exist without the other.

So this danger that's facing us may be helped along by those few members of our industry who need government stimulants to keep their business heads above water. And little by little, this will penalize all of us who depend upon individual initiative and enterprise for success.

We cannot expect to build over a million houses each year and continue to find an eager market. But let's not take the easy way and prop that market up temporarily with some government crutch. For example, if lending agencies do not jump into the VA and FHA loan market after this recent interest rate increase, there will be those who urge direct government lending. They will seek one government measure after another which will allow people to buy a home who otherwise couldn't. That's idealistic. But it isn't practical. It stimulates the market now, but what happens 10 or 20 years from now? Could we have foreclosures by the bucketful and housing running out of our ears?

We can seek other ways to bolster our business than through government help. On an individual basis, we can dig in a little deeper and work harder, seeking new ways to provide and merchandise a better product at less cost. On an industry-wide basis, we can actively support such plans as the "Build America Better" program — a program of redevelopment and rehabilitation by private enterprise that will benefit the entire economic, social, and political structure of the country.

There is prosperity ahead for our industry if we build soundly and wisely and if we have the courage to say "no" to measures which may benefit us temporarily but which, in the future, can only shackle us.

Publisher
HERBERT S. STAMATS

Editorial Director
RALPH H. CLEMENTS

Editor and Business Manager
BOB FAWCETT

Managing Editor
ROGER C. LAKEY

Associate Editor
WILLIAM O. TURNER

Assistant Editors
JOAN CLARK
BETTY CARLSON

Research Assistant: I. M. Totten

Tax Editor: E. H. Welter

Legal Editor: George F. Anderson

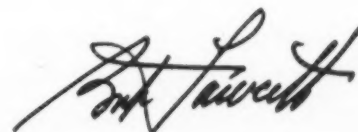
Contributing Editors:
Earl B. Teckemeyer, Jack Stark, Sam Russell

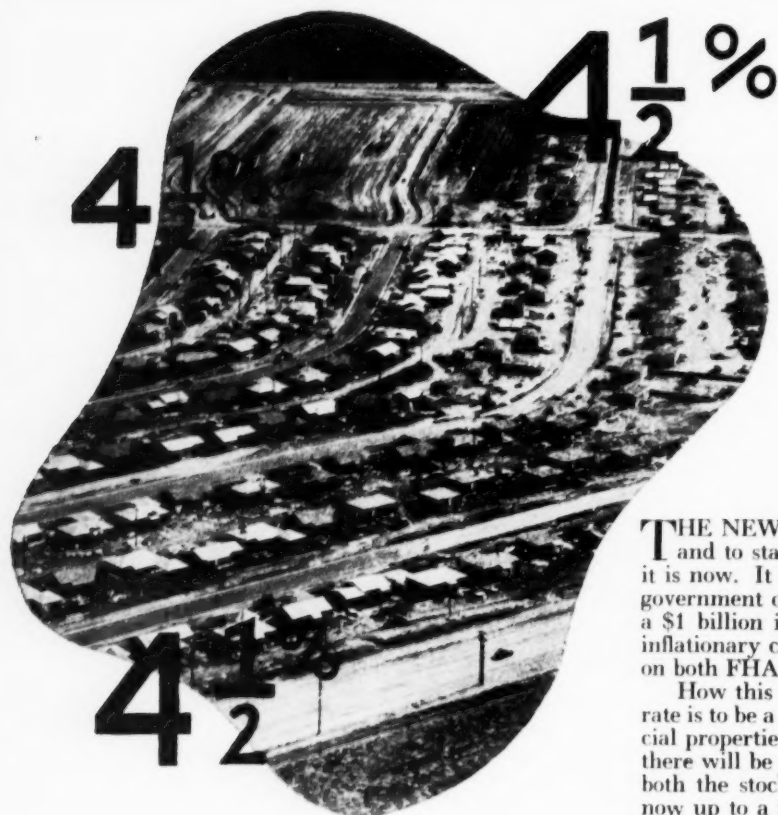
Art and Layout: Donna Nicholas, director;
Vivian Ives, Jack Hines, Sally Smith, assistants

Advertising Service Manager: Joan Clark

Circulation Manager: E. J. Dvorak

Production: George E. Hogan, director;
Roger C. Hawley, assistant





WHERE IS THE

THE NEW Administration has adopted a policy to combat inflation and to stabilize our dollar so that it will again be worth more than it is now. It has set up a program of refinancing short term, low rate government obligations into long term, higher rate. It has just put out a \$1 billion issue at $3\frac{1}{4}\%$ which has absorbed any present excess of inflationary capital. At the same time, it has increased the interest rate on both FHA and VA loans to $4\frac{1}{2}\%$.

How this will affect the free money market and its flexible interest rate is to be a determining factor for future financing of homes, commercial properties, and industrials. It is anticipated that with this increase there will be a general increase in interest rates across the board. With both the stock market and bonds having declined so that the yield is now up to a purchaser in this market, this type of investment has become quite popular and very competitive to money invested in mortgages.

You can afford to buy bonds where you only clip coupons twice or four times a year at an average of one point less than you can buy mortgages which are broken down usually in a $\frac{1}{4}\%$ overhead expense for putting mortgages on the books, $\frac{1}{4}\%$ for risk rating, allowing $\frac{1}{2}\%$ for usual servicing fee, and any other additional amount that is considered in the underwriting risk.

Thus, there is usually a differential anywhere from 1 to $1\frac{1}{2}\%$ between bonds, stocks, or corporates and mortgages in the rate of return in order for them to balance out on an equal basis and to be attractive to an investor. Further, with the issuance of tax-free public housing bonds at 2.57 or 2.43, this is equivalent to a mortgage taken by a savings bank on a 5% interest rate base if they are in the 52% bracket of taxation having passed the 12% surplus position.

All of these factors are reasons why it is more difficult to obtain mortgage financing.

However, the supply of money has not increased. It's merely a question of shifting from one investment source to another. And, as a result, many savings institutions, life insurance companies, and other investors have welcomed the opportunity to balance their portfolio with diversified investments at a high yield because heretofore mortgages have paid a return in a much better rate than have stocks and bonds. Thus, you can see the reason for the disappearance of the premium in the mortgage field. This premium has been an evil that we are glad to see disappear. FHA and VA mortgages have been selling at substantial discounts, depending on locality and type, even though they have the same government guarantee wherever they are placed. FHA loans have been selling from par to as low as 96 and 97. VA loans have been selling from par to as low as 90 and 92 over the old $4\frac{1}{4}\%$ and 4% rates respectively.

One of the difficulties in both of these mortgages is the expense of placing them on the books of investors, as they are both open-privileged mortgages and can be paid off on any monthly interest paying date. Thus, to the investor there is a very great disadvantage in having this prepayment privilege without some adequate compensation. FHA feels that it has to have 1% prepayment charge to compensate it for its overhead under its mortgage insurance program guarantee which exposure is only $\frac{1}{2}\%$.

There were three ways out of this: 1) increase the interest rate (which has been done), 2) close the option of prepayment of the

What about the new $4\frac{1}{2}\%$ interest rate on FHA and VA mortgages? Will it attract enough mortgage funds to sustain a million-a-year home building pace? What will happen if the VA loan is extended to 25 or 30 years and downpayment requirements slashed? Our author says supply and demand tightened the money market before the increases came and we can expect no abnormal building boom. Extending the term of VA loans will make them less attractive in spite of the increased rate. But he also warns that under certain economic conditions over-building could result if the 20-year maximum term is kept. Whether or not we over-build rests primarily in the hands of the investor and secondarily in the lap of the builder. These economic facts from an expert in mortgage financing merit serious thought. They are now at work affecting your everyday real estate and home building business prosperity

MORTGAGE MARKET HEADED?

mortgage for a reasonable space of time, say three or five years, or 3) permit a prepayment penalty to be charged the borrower for prior prepayment. The Administration has met this problem to a small degree by raising the interest rate. Unfortunately, the money market tightened up before this was done, so this has not been any great advantage because competitive investments under the law of supply and demand has preceded this increase. Therefore, I don't believe the raising of FHA and VA rates will bring into the market an unprecedented flow of funds and cause an abnormal building boom. The lenders will be able to control over-building and inflation by requiring a 15% downpayment in each case.

It is highly conceivable that if the VA loan should be extended for 25 to 30 years, as the builders have requested, and only a 5% downpayment made, that even with the increased interest rate the loans will still not be attractive. On the other hand, if the present term of 20 years is maintained as a maximum and the downpayment remains the same, an over-building program could result.

With consumer credit being financed within 12% of the cost, and if we should have any slight readjustment or recession (say a 5% or more unemployment), I am convinced we already have a nationwide over-supply of housing. (There, of course, would be spots that would still need housing and others that would be over-supplied.)

The solution to the over-building problem, I think, will rest in the hands of the lender or investor. He will have to control, and I believe will control, the over-building program either by 1) not granting loans in the full amount permitted by regulations, or 2) by requiring a larger downpayment to restrict the field of borrowers to those who will have some stake in the property.

Today, we are having a family formation rate of about 600,000 families per year. It is generally conceded that we have met the housing shortage created during the war. Building has to be based on both need and ability to pay. Need alone is not the all-important factor. I might like to own a lot of things but if I cannot afford to pay for them or live up to the standards that are required of them it is utter folly for me to buy them. The same applies to our housing supply and market. The marriage rate has gradually declined since 1941, and births have done likewise until this year when there was an increase of 12%. It is predicted family formation from the war babies of 1941 will not take place until 1957-8-9, and then, based on family formation alone, there should be a large upsurge in new housing accommodations.

The two most important things in an area for increasing the housing are new births and migration, both meaning increased population. The second is the more important of the two.

Take, for example, the new steel industry moving into the Delaware River Valley near Trenton, New Jersey; Morrisville, the Pennsylvania steel center; and Wilmington, Delaware. There will be a great immigration over the next ten years. It's estimated this may be about 500,000 people, due primarily to the two big steel plants — U. S. Steel and National Steel. But the more far-reaching effect will be the secondary industries that follow, such as oxygen and the other by-products necessary to the development of the steel program. Thus, the need from a project like this may reverse in the Philadelphia-Camden-South Jersey area the national trend of housing needs. While this area may be sta-

(Please turn to page 41)

By C. ARMEL NUTTER, *President*

Nutter Mortgage Service
Philadelphia and Camden

SUPPLY AND DEMAND VS. GOVERNMENT PROPS

"THE free money market," Armel Nutter says, "is leaning toward the conventional mortgage rather than the insured mortgage because of two factors: 1) flexibility of interest rate allows the law of supply and demand to work and money to earn what ever is the current going market rate; 2) many people feel that the time has come for the guaranteed mortgage to again assume its original purpose — namely that of research and stimulation of confidence when needed in the mortgage money field. And they believe that private enterprise should no longer expect to have to lean on government props but rather should accept its responsibility and be willing to properly appraise its product and underwrite its risk without a government guarantee. This is private enterprise."

WHAT EFFECT FHA-VA INTEREST RATE INCREASES...

By ROGER LAKEY

Managing Editor

... On the Mortgage Market

ALTHOUGH many realtors and builders were optimistic about the effect of raising FHA and VA interest rates, it is generally agreed that the increases were too little and too late to attract a huge flow of funds into the mortgage market. This conclusion is backed by opinions of leading realtors, builders, and mortgage bankers interviewed by JOURNAL editors.

Arthur F. Bassett, Detroit realtor, says, "It will help the flow of money but it won't cause any great rush of funds. Lenders will still be pretty conservative. It must be remembered that the FHA interest rate is not at all attractive. I think FHA and VA mortgages will be pretty carefully checked as to location, construction, and credit risk."

Bassett points out his reasons. He says prices of government bonds, industrial bonds, preferred stocks, and municipal and school tax-free bonds have decreased over the past months so that many of these prime obligations show higher returns than they have in years. Conventional mortgage interest has crept up gradually until the prevailing rate for conventional loans in the Detroit area is about 5%.

Frank Burns, Denver realtor-builder, is more optimistic. He's confident the increase "will go a long way toward alleviating the virtual freeze of mortgage funds, particularly for GI loans." But, Burns points out, it's too early to determine the extent to which mortgage money will become available. "However," he says, "I believe the stringency will gradually lessen within the next 60 days, and more money will become available as the year progresses and investors dispose of commitments made on the basis of the situation that has existed during the past 12 to 18 months."

Burns comments are contingent upon there being no drastic change in the government's refinancing operations on long term bonds. "We are led to believe," he says, "that there will be no more major refinancing until sometime in June. If true, capital sources should be able to absorb the government securities offer, and at the same time, make a substantial volume of mortgage funds available."

Guy T. O. Hollyday, FHA commissioner, agrees with Burns that it is too early to measure the effect accurately. He says, "However, I've noticed considerable optimism among lenders and builders, and it makes a better, sounder base of operations for the borrower as well."

"I believe one of the contributions is that the indecision in the mortgage money market has been removed and the industry will benefit from having this roadblock out of the way."

"In my opinion, we're now close to normal times as to volume of business and I do not foresee the mortgage loan business returning to the lush days of three or four years ago," Hollyday says.

Emanuel M. Spiegel, NAHB president and New York builder, says the principal effect of the rate boost was to put the brakes on an imminent housing slump that could have been disastrous.

Alan B. Brockbank, Salt Lake City realtor-builder and past president of NAHB, believes the increase came "too little and too late" to have the effect it should have had. "But it will help our housing industry out of one of the most serious spots it has been in for many years," he says, "and will produce a slight amount more of mortgage money."

Charles Shattuck, NAREB president and Los Angeles realtor, has a brighter outlook. He says, "The increase was needed, and it is a stimulating, stabilizing influence on the home market. Veterans and other home seekers will benefit, for mortgage funds will be more readily available to meet their needs."

The opinion of Al Summer, past NAREB president and Teaneck, New Jersey, realtor, is optimistic, but cautious. He says, "Ample funds should be available to meet all foreseeable demands. At this point it is difficult to foretell at what level the mortgage market will stabilize but, with the possible exception of the South and West, it appears to me it should be at par or a little better. Certainly, I am sure, lenders and builders will be happy to get away from the unsatisfactory discount situation which has existed for so long."

"Builders can concentrate on turning out much needed housing instead of spending a lot of time getting financing," Summer says. "In addition to single-family house construction, FHA rental housing under Section 207 will also be stimulated by the rate increase."

Although he agrees with Burns and Hollyday that it is too early to measure the effect, Aubrey M. Costa, Dallas, past president of the Mortgage Bankers Association, predicts banks and insurance companies will start buying government insured mortgages on a larger scale. "However," Costa says, "banks are hindered by restrictions on lending in states far distant from their own, and in some states legislation is needed to enable outside investor banks to safely buy mortgages in these states."

Costa points out because of the large concentration of funds in the East, coupled with the convenience and lower cost of doing business close to home, mortgages on properties in the South and Southwest bring a slightly lower price.

H. A. Melick, Wilmington, Delaware mortgage banker, believes the optimism which preceded the rate increase is unwarranted. He says he doesn't believe

the improvement in the mortgage market will be nearly as great as many expect.

"Lending institutions still face the problem of money shortage, and the interest rate boost will certainly not solve it. On the other hand, I believe savings banks, and life insurance companies as well, will study this new situation very, very carefully before they arrive at a final policy decision.

"From information available at this time," Melick says, "I would say it is far from certain that a broad market will exist at par where maximum term and minimum downpayment are involved. I feel that the government's timing in issuing the $3\frac{1}{4}\%$ long-term bonds and boosting FHA-VA rates was very poor. I believe the mortgage market is still a long way from clear sailing."

John M. Dickerman, executive director of NAHB, gives a clear analysis. He says the increase will not create a building boom. "On the contrary," he says, "many believe it has averted a possible building slump which could have upset the entire national economy."

Dickerman shows that the mortgage market is tied to the availability and price of money in the general market. "Instead of stabilizing at par or slightly above, as was widely expected in the middle of April, when the new Treasury bonds were issued, they immediately dropped below par and have hovered within the range $99\frac{1}{2}\%$ to $99\frac{3}{4}\%$. The continuing supply of tax-exempt issues, including public housing bonds, have further complicated the situation. Tax-free securities are competing seriously with Treasury bonds and the market as a whole."

But Dickerman predicts an easing of the situation in July and August sufficient to bring new Treasury bonds to par. "This should make VA $4\frac{1}{2}\%$ mortgages also salable at par," says Dickerman, "with the possibility that FHA's may be even slightly more desirable as an investment. Meanwhile, banks and insurance companies are expected to be very selective, and savings institutions may shift some of their portfolio from the conventional to VA and FHA loans. This could be an important stabilizing force."

Other opinions from prominent housing men are: William A. Clarke, Philadelphia mortgage banker and vice president of MBA: "Long-term money is very tight. I don't believe the increase will produce any appreciable increase in the amount of mortgage money seeking this type of investment. Such money will be scarce for the balance of this year."

Joe Lund, past NAREB president and Boston realtor: "The rate increase will not ease the serious shortage of mortgage money to any great extent."

Brown Whatley, MBA president and Jacksonville realtor: "Investors are sizing up the new situation and appear somewhat reluctant to take a firm position as to price without an opportunity to carefully weigh market conditions. There are reports of sales at the new rates ranging from 98 to par for both FHA and VA loans. In any event, the log-jam is broken and there is a brighter outlook ahead."

Paul B. Guthery, realtor-builder of Charlotte, North Carolina: "It's a little too early, but indications seem to point toward an easing."

Morris W. Turner, Tulsa realtor-builder: "The increase came too late to keep the big investors in the market, and it will take some time and coaxing to bring them back. In view of the $3\frac{1}{4}\%$ long-term bond issue, the rates should have been $4\frac{3}{4}\%$."

Thomas E. Lovejoy, Jr., president, Manhattan Life Insurance Company, New York City: "I believe

investors will buy more government insured mortgages now that the rate has been increased."

... On Home Building

How will the rate increase affect volume of home building this year? Opinion is divided. Many of the men interviewed believe the industry can hit and pass the million mark. But others, in the minority, say, we shouldn't be fooled by the high rate of starts during the first four months of this year, that builders were operating under previous commitments.

Brockbank, one of the minority, says, "In my opinion builders are leary now of building the volume they would have otherwise built this year, and it is my opinion that a serious decline of starts may be in the offing as builders feel too shaky on the basis of the present mortgage market."

Shattuck says construction will continue at a "satisfactory rate." He believes the rating of delapidated housing under the NAREB "Build America Better" plan will be stepped up, increasing the need for countless new houses. "But to do the job, mortgage money must be permitted to find its own rate of return in a free market."

Summer says the total 1953 starts "will compare favorably with that of 1952."

Spiegel attributes the high rate of starts earlier this year to prior commitments but says builders had virtually used these up when the rate increase came. But, he says, if lenders get back into the FHA and VA market on their old scale, the industry should hit the one million mark this year.

Costa also believes we'll see a million or more starts this year, but "it will take some time for programs to be put in motion that had been materially slowed down."

Melick and Clarke are pessimistic. Melick says the rate increase won't "encourage additional starts except in those areas where direct lending is the governing factor."

Clarke says, "I believe the number of starts will decrease in the balance of the year."

Lund believes the increase will have a negligible effect on the volume of home building this year. He says, "I believe the housing demand has been met in areas which do not have heavy immigration. I think the demand for money from all sources exceeds the supply. For these two reasons I expect less housing starts after July 1. This is not the popular opinion."

Turner: "Probably hold it to about where it should be — a million starts or less."

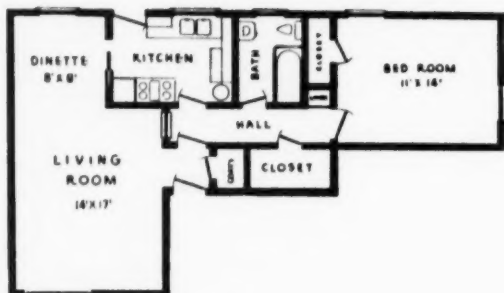
Burns: "If a greater supply of mortgage money becomes available as the year progresses, I believe we can expect at least a million to a million and one starts this year, with the great majority of such starts being in the \$12,000 bracket."

Here are current opinions from leading realtors, builders, and mortgage bankers the nation over on the FHA-VA interest rate boost. The consensus is that the boost is far from a panacea for the mortgage market and the effect on home starts will be favorable but not as great as expected. Is it too little and too late?



tenants *like* to live here

They packed a lot of livability in their 500 apartments, made the buildings and grounds as attractive as possible, provided extra conveniences for tenants. But the big reason for their 98.5% occupancy and perpetual waiting list is a sound tenant relations program and carefully-planned publicity



Administration offices are situated in this centrally located building. Project includes 14 landscaped acres, 44 architecturally different buildings, spacious porches, and 84 connected private patios

IN 1949 Earl L. White, a pioneer California realtor-builder, bought 14 acres of land in the heart of the San Fernando Valley. On it he built 44 ultra-modern apartment houses containing 500 one-and-two-bedroom units. Since then, his North Hollywood Manor Apartment project has boasted an average occupancy of 98.5%. At present there is a perpetual waiting list.

Why are the Manor apartments in such demand?

Although there was a need for housing in this area, the secret of their popularity White attributes to careful planning, good management, and a sound advertising and publicity program.

For one thing, the landsite is convenient to Valley business centers, recreational facilities, schools and churches. It offers all the advantages of San Fernando Valley living, yet is only 10 minutes from Hollywood and 20 minutes from downtown Los Angeles by auto.

The development, which consists of architecturally different, one-and-two-story buildings, is attrac-



Are your salesmen finding homes *for* people, or are they merely taking orders? There's a difference — and in many cities the return to a buyer's market is forcing the order-takers to pull themselves up by their own bootstraps and relearn all the fundamentals of good real estate selling

MAKE YOUR CLIENTS WANT TO BUY

PURCHASING a home is one of the most important — if not *the biggest* — decision a family makes in a lifetime. Chances are, not only the family savings are at stake, but a big share of their potential life's earnings as well. It's perfectly understandable that a buyer wants, and ideally should get, 100 cents return on his investment from every one of those hard earned dollars.

Yet the average prospect is sadly ignorant when it comes to buying a home. Few know what basic features to look for. Many fail to recognize a good buy when they find it. All smart home buyers are thirsty for straight-from-the-shoulder facts from a real estate authority.

That's why a real estate salesman can become a buyer's best friend. If — and only if — he is truthful, well informed, and sincerely interested in the buyer's needs and problems, a salesman can win the client's confidence and in turn increase his chances of making a sale.

All of which points up the importance of choosing the right men to represent you, as a real estate executive, and of preparing each of them to do a thorough, honest selling job.

Here are some basic musts every real estate salesman should learn before he approaches a client:

Know the Client and Your Property

When the phone rings, don't tell a client you'll meet him on the street in a half hour and show him some homes. Do some research first. Find out what his home needs and problems are so you can approach him intelligently. The more information you can gather about a client's family,

his business relations, his school requirements, his friends and hobbies, the better chance you'll have of turning the client into a satisfied, long-time customer.

One Kansas City salesman who pulls down around a million dollars worth of business a year, attributes a large part of his success to his shyness with a customer. "I tend to hold back with a new prospect and get *his* feelings on what he wants," he says. "I keep pretty much within myself until I find the house I think he's looking for. Then I lose my shyness. The point is, Find homes *for* people instead of just making sales."

In order to find homes *for* people you have to be familiar with all the advantages and drawbacks of each property. If you feel the disadvantages outweigh the advantages to a particular client, the property should not be offered to him. For, chances are, even if the sale is made, you'll have a dissatisfied customer on your hands, the poorest kind of publicity.

If you believe the property is right for your client, load yourself down with facts on its good features. Your enthusiasm will begin to rub off on your client and the sale is well along.

In the long run, you'll command more respect and confidence from your client if you frankly present the disadvantages of the property along with the advantages, tend to make understatement rather than exaggerations.

Develop the Client's Confidence

Many salesmen have the notion they have to talk about their experience and ability in order to win the client's confidence. A better way to insure genuine confidence, the kind that lasts and

helps to make sales, is to do something concrete to prove your sincerity and ability.

Suppose you were selling a house. This house was not modern; in fact, it had to be repaired and rebuilt in order to make it livable. Assuming the property has been listed at a fair price, your next step is to have a carpenter go over it with you to find out what should be done to modernize it.

If the house needs a fireplace, have the carpenter determine what it would cost to install one. If it needs a new floor, figure out what that will cost. Include all the improvements necessary to make it a modern, livable home.

Then prepare a statement showing the character of these improvements and the cost of each one. Set these up in such a way that the prospect can readily understand them. Then forget about confidence. The statement will produce the confidence for you.

A good way to help the prospect visualize the repair work and remodeling projects needed is the use of before and after photographs showing what houses looked like before they were remodeled and afterward. Collect photographs of houses in the same price range as those you are selling. They'll help the client's power of imagination and simplify the process of suggesting to him what can be done with the house you are offering to sell him.

Understanding comes before belief

The average real estate sales talk is very clear to the realtor and his salesman — but often parts of it are a mystery to the prospective buyer. He can't believe what he doesn't understand, and belief and confidence are prime requisites in the success of any sale. So talk the *buyer's language*. When you use real estate lingo, explain the terms.

Don't take it for granted that your prospects know all about certain features of the property offered for sale or of the community in which the property is located. Changes in the real estate business and all its related fields are taking place with such astounding rapidity that it is futile to expect that the average citizen can keep pace with them. This lack of information may keep him from buying or send him to the famous sales wrecker — the unknown adviser — for more information.

It is part of your job to give a prospect the information he needs

to make up his mind. It is your job to see that no question is left unanswered.

Sales aren't made in minutes. They're made after the prospect has spent days and months comparing values, neighborhoods, plans — after he's been educated to the market. Don't treat this spade work lightly.

Up-to-date sales kits are a big help. They make it possible for you to compile in convenient and convincing form the facts you need to answer the multitude of questions in a prospect's mind.

Never neglect the little man

It's smart business to pay as much attention to the client who is interested in small property as the client who is interested in larger property. The smaller buyer is apt to be more sensitive and, if you give him good service, he may become your most valuable customer, referring all his friends to you.

Here's an example told by a Connecticut realtor of how a \$15 transaction which his firm handled developed into \$200,000 worth of business. The job itself was minor, as the realtor put it, one hardly worth talking about. "But," he added, "we did the very best we could for the money."

"The man was so well pleased that he told his friends about us and some of them gave us business. They in turn told their friends about us. We can check \$200,000 worth of business from that one \$15 transaction! I don't mean that we didn't have to continue doing quality work. The extra business merely gave us the chance."

Make Systematic Call-backs

It's foolish to forget a buyer the minute a sale is made. Keep his name, new address and price he paid for his home in a tickler file. A year later call him and ask him if he's satisfied with his property. He may need a larger house or refer you to someone who wants to sell or buy.

Don't talk yourself out of a sale

One other point. Don't knock your government, city, or any line of business. Your client isn't interested in your problems. He has problems of his own and your job is to learn about *them*.

The salesman who knows when to be silent has gone a long way toward success. The salesman who can get his client to talk and express his wants is a wise man.

Test Your Salesmen With This Yardstick

1. Does he inform himself about a client's housing needs and problems?
2. Does he try to match the property to the buyer's needs?
3. Is he prepared to explain all features of each property in enough detail to make them easy to understand?
4. Does he win confidence by pointing out disadvantages of a piece of property as well as advantages, then offer specific, written suggestions and costs for remodeling?
5. Does he talk the buyer's language, explain all real estate terms he uses, take nothing for granted?
6. Does he encourage questions from a client, leave none unanswered?
7. Does he use sales helps and examples to make a point clear?
8. Is his sales' kit up-to-date and pertinent?
9. Does he give the little man the same service as the man interested in a larger transaction?
10. Does he use common politeness in dealing with clients and does he know when to listen?

are you getting the most from TV ADVERTISING?

Television spot ads are costly, and their effectiveness depends on time shown and the preceding program's popularity. Realtors and builders in Minneapolis-St. Paul bypass these variables with a popular "Parade of Homes" show every Sunday

By ROGER C. PERRY

IT ISN'T unusual for television viewers to shop for homes from their living rooms. But when spots are the only type of presentation used, the number of homes offered at any one "sitting" is quite small. This problem has been solved in Minneapolis-St. Paul with a 30 minute program which shows 40 homes at one sitting. It comes on each Sunday noon. During the week, sponsors of the show run newspaper classifieds which tell about the properties to be featured the next Sunday. Prospects can pick out what they like during the week and watch for it on the program.

Viewers like it because they know what they want and they can wait for it to appear on the program. It saves them from driving around the city on wild goose chases. One buyer says he likes it because he can plan his regular Sunday home-hunting trip right after he sees the program. He doesn't bother to drive by homes which didn't interest him. The pulse listing rating consistently shows that 40,000 sets are tuned to the "Parade of Homes" show.

Realtors and builders like it too. One builder, who had built dozens of three bedroom ramblers, was having a hard time selling them. He investigated "Parade" and began advertising on it. Now, he says, "I have enough orders right

now to keep my crews busy for several months. Last year I sold 108, and am sold on television as an advertising medium."

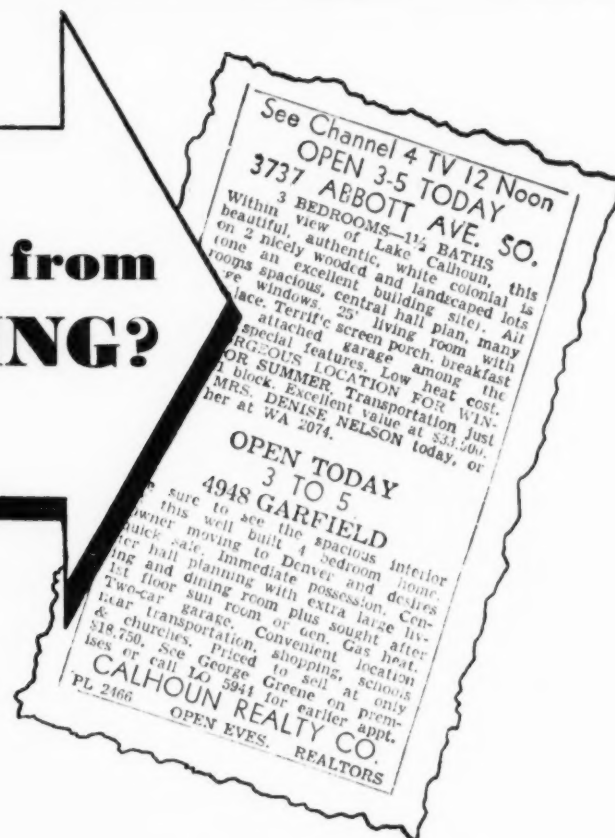
Another realtor-builder, Cusack & Carlson of Minneapolis, reported "We have been steady users of television. We have found it especially effective for newly constructed homes in the under-\$12,000 class. We have also found it to be fast and effective for expensive homes in the over-\$25,000 class, for they show extremely well on TV."

Les Coplon, advertising manager of Cusack & Carlson gives some of television's limitations. He finds the response nil on older homes shown more than twice. He finds some homes just don't photograph well enough. He did say, however, that newly constructed homes, even if of the same design, could be shown week after week with good response.

Coplon finds "Parade" a great help in getting listings, especially those from owners who must sell quickly, and are willing to set a realistic, or even a slightly below the market price on the home. Coplon says "Parade" makes people more value-conscious, and they quickly spot a property which is even slightly below the prevailing price.

The realtor and builder sponsors say that TV viewers are really

Typical ads used to tie-in with the TV program tells which channel to tune in and at what time. General location of property is given along with price, and the phone number of the selling agent



live prospects. Every call from a TV viewer is given priority, because experience has shown that these are the best prospects. Another point is the prestige factor. Since the number of TV advertisers is limited, prospects seem to put them into an elite class. This may result in added business.

Also, every "Parade" participant interviewed said he was convinced that the cost per live inquiry was lower than for any other medium, including newspapers.

Video Advertising Associates, set up to produce the program, buys a half hour weekly from WCCO-TV, one of two Twin Cities' TV stations. Since FCC regulations forbid brokering time, they sell "Video-ads" on a regular contract basis. A broker or contractor who wishes to show three homes weekly must sign for a period of thirteen consecutive weeks, and pays only \$9 for each Video-ad. The Video-ad consists of "the telecast of one or more photographs of a property, accompanied by a simultaneously

(Please turn to page 45)

A Little Ingenuity Goes a Long Way

Here are ideas for the merchant builder that will please any prospective home maker. Today's housewife knows that a bit of ingenuity, used in the right places, will add convenience to any kitchen

PHOTOGRAPHS BY CLEVELAND, WARD, RADA



The kitchen counter, left, has a battery of bulbs set into an above-the-cupboard frame. Diffusing glass helps to spread the light

An around-the-corner counter at the right forms a snack bar for two. The plastic-topped stools repeat the shape and color of cut-outs that were used for door pulls



Below are three ideas for supplementary storage. First is a slide-away mixer. It operates just like the typewriter shelf of an office desk. It hides an ungainly appliance yet keeps it always ready for use. An electrical outlet is found in the cupboard

Second, mobile bins store vegetables alongside the sink where they are prepared. These ventilated bins hold a large supply

Third, another set of three bins for vegetables. These tip out at an angle, have ventilated metal liners that are removable



It Pays to **Personalize Your Management Service**

How can you develop new business from tenants for your brokerage and home building departments? First, give them interested, helpful attention, let them know they're your clients, show them how they can start "owning" something. Then they'll come to you when they want a home of their own, and will recommend you to their friends and acquaintances

By **EARL B. TECKEMEYER**

Realtor
Indianapolis, Indiana

WHEN discussing this important matter managers must first decide who their clients are. It is generally assumed that the owner is entitled to have the final word in a tenant-manager-owner relationship. Consequently, the owner is usually thought of as the client while the tenant just drags along and takes what comes without a great deal of attention.

Who are Tenants?

The uninformed realtor thinks of his tenants as individuals who are forever complaining about poor housing conditions and the chief "pusher" of retained rent control. Such realtors feel that tenants are particularly bent upon wrecking an owner's real estate either by misuse or neglect, and are the one group of human beings whom the average realtor could best do without. This may appear harsh to the reader, but from my experience in discussing the advantages of management with many brokers throughout the land and at home, I feel certain the picture is neither overdrawn nor too vivid.

Who are our clients? They're everyone who has contact with real estate — regardless of capacity or monetary level. And that is just about every sane adult in America. The reason why tenants appear to be mortal enemies of

realtors, real estate owners, and managers is because they have been so sorely neglected by us. The tenant is just lonesome for some attention. Honest, interested, and helpful attention that will, in the end, help lift them out of the tenant classification to the beginning of home-ownership. When the lowliest renter first sinks his little dab of savings into that meager frame dwelling by moving, painting, repairing, and starting to "own" something, he immediately feels sorry for his brother or friend who won't take the plunge. Our new owner is now a citizen who amounts to something because he possesses something. This is one reason why it is so important, I think, for management to stress the tenant relationship angle as soon and as much as possible.

Rent Control Lesson

People being people, even those lower than the lowest standards imaginable, can be wholly changed in mind and spirit by thoughtful management. Before rent control, decorating painting, and annual repair bills were always a source of difficulty to both owners and tenants. The owner wanted such expenses held down while the tenants wanted more service. The manager was the constant referee in this scramble. Often, every one

wound up sore at everyone else. But rent control, despite the many unfair things about it, taught us some lessons.

First, it made it possible for the owner to discuss the economics of ownership and profit in relation to rent received with the tenant. With no or very slight increases in rent in prospect, tenants better understood the impossibility of continuing the usual expenditures for upkeep. So what did we do about that wall in need of papering, the furnace needing repairs, or the window shades and linoleum that look like the devil? In this difficult and often touchy situation we're provided with an opportunity to include the tenant in the "owner's" picture and discuss each other's problem.

When repairs or decorating were needed it first became our plan to get the estimate for labor and materials, and show them to the tenant with the suggestion that he try and help us figure out how we could possibly invest a sum on repairs which would equal three or four month's rent. His rent was the same, but everything else had gone up. Of course, he couldn't do it but still we wanted to get the job done. The property needed the work and he was entitled to a clean, decent place to live even though he didn't own it. "So," we said, "by reason of a vastly lowered rent, why don't you furnish the labor (do it himself or hire it done) and let the owner supply the materials. We can afford to do it that way because what you pay out for labor is now more than a nominal increase in rent would be, and the owner's share in the project will be reduced to what we all agree is a reasonable amount under the prevailing circumstances.

New Opportunity

I am sure it isn't necessary to elaborate on the results of such a program. Instead of just sitting back and uttering a loud "no" to every request as we could have done, we put our heads together and we avoided a mess. It worked, but best of all was this: While the discussion of all this goes on there is the ever present opportunity to slip into the tenant's mind the fact that he could be spending this labor on a little place of his own. So why not let us hunt up one for him? Under other circumstances we would be just another salesman trying to sell him something. But under these conditions

we are actually his adviser trying cozily to show him how he could have much more for the same outlay per month and not be spending time, money, and material on some other fellow's property. They like that. Who wouldn't?

Build Through Good Will

Tenant relationship can also be built through good will and contacts with people. Following this line of reasoning if the contacts are right, the good will thus created can be mentioned or advertised and the readers or listeners of whatever medium used will know from experience, or the experience of their friends, that what is being said is true. That, to me, is the only way.

When we once again have the normal number of vacancies, such as we did not have during the war-time scarcity (which is now fast fading), we will then return to our former practice of letting tenants know that we regard them as our clients.

The mailing pieces reproduced here need no explanation (see illustration). In fact, the average tenant is so shocked at receiving such a compliment that he can hardly contain himself. He immediately shows it to his neighbor and friends. "Did you ever get such a thing," we can hear him say. Chances are they didn't, although they may have deserved it. They have it coming we intend to tell them so. That, we think, helps to build the goodwill we have been talking about. Relative-

ly simple, isn't it. It's no more than the attention you would normally give an owner, the only difference being that it is directed to a tenant. What a change to the management business. The tenant is out of the "dog house" with the property-rich landlord (horrid word) and once again feels like a human being. Even though he hasn't been given any more than before, the mere recognition of his rights by the landlord, is a bright spot in an otherwise drab real estate life.

In this or any other business we believe that conditions seldom slam one door without opening another. If we could understand this, this way to victory out of apparent defeat, happiness out of grief, profit out of almost certain loss would be smoothed and made a stepping stone to bearable relationships.

Return to a Normal Market

With regard to both management and brokerage we are swiftly returning to a more normal market. We're going to have to forget some of our old ideas and adopt new practices. Our experiences during the war years and rent control should have taught us that most people are human, and that they'll generally respond as they should if we treat them thoughtfully with an intent to be helpful.

We felt that it was a terrible day when rent control and all the other regulations were imposed upon us. Actually no day is either bad or good. No one can tell when times have been good or bad un-

til all the days are in, counted up, and an assessment made. No event or thing can be accurately appraised on the day it happens. When all the days are in is the time to do the counting and adding.

Lin Yutang, the Chinese philosopher, has a story that illustrates my point. "An old man, his son, and their old broken down horse lived outside the gates of the city. They were poor and cast out by their betters, and they struggled as best they could for a bare existence. Their horse ran away. Their neighbors came to help bemoan their misfortune. The old man cautioned them not to be too worried, that no one could tell whether or not it was ill luck. Sure enough a few days later the old horse strayed back and following him were 15 strong young wild horses. The neighbors immediately flocked around to help him celebrate his good fortune. Again he cautioned them to not be so swift, that one could not really tell yet whether it was good or bad luck. Sure enough, in a few days his young son was thrown while trying to break one of the wild animals and his leg was broken. The neighbors came again to help him bewail his misfortune. Again, he philosophically cautioned them against haste in judgement, that they really couldn't tell what kind of luck it was at the very moment. And, sure enough, in a few days one of those Chinese War Lords started on a rampage and all the

(Please turn to page 45)

TO OUR NEW TENANTS:

It is almost impossible for us to make a personal visit to the home of every new tenant although we would like to do so because we believe that we owe our tenants, as well as our owners, the best service and attention that we can give.

Although we cannot promise to fulfill every request, we would like to have you let us know if anything pertaining to the condition of the property or to our new relationship of tenant and agent has been overlooked. We want to do our utmost to make your new home pleasant and comfortable and will welcome any suggestions which you may have as to our service.

Sincerely yours,
REALTORS AND PROPERTY MANAGERS
MA. 1168

SCHMID & SMITH, INC.
130 N. Delaware St.

Dear Sirs:

When we inspected the property which you recently vacated, we were pleased to see how clean and neat you left it. Tenants like yourselves who take an interest in caring for the property which they occupy are the exception, and we are glad to discover those to whom we can honestly express our appreciation.

Yours very truly,
SCHMID & SMITH, Inc.

Here are two mailing pieces that will shock the average tenant. He will be so amazed at receiving such a compliment that he'll not be able to contain himself, says our author. He'll tell friends and neighbors about your personalized management service



Robert Dvorak, president, (left) and two of his men demonstrate 2x6 wood paddles which separate the insulating strips from the outer forms. At this stage, heat duct channels, diffuser boxes, and gravel layer are in place. Moisture barrier is the next step

ARE WE OVERLOOKING THE DEMAND FOR COLONIAL STYLING?

A desire to meet the need for Early American architecture at a saleable price prompted Real Estate Builder Robert Dvorak to develop Brentwood Village, 300-home project near Cleveland. His cost-cutting construction methods and labor saving jigs enable him to keep prices down to the \$11,450 to \$18,000 range, yet offer maximum traditional styling

NOT every family is interested in purchasing a modern, ranch-style dwelling. Many prefer American Traditional architecture which reflects the charm of the Colonial Era. The Dvorak Construction Company recognized this need when it planned Brentwood Village outside Cleveland. The company president feels that this type of architecture has been consistently neglected in the low-priced field.

The 300 homes in the project are all adaptations of Early American architecture, a pleasant blending of Cape Cod, Western Reserve, Williamsburg, Gloucester, Providence, and Nantucket styles. By artfully using different materials — asbestos siding, wood siding and flush marine plywood — and a variety of fresh, sparkling accent colors on doors, shutters, and siding, they are able to create about 100 different combinations with only one floor plan.

Each home has an L-shaped living room-dinette with an open stairway leading to an unfinished second floor, a large bright kitchen equipped with Tracy cabinets, two large bedrooms with Ful-Vue double closets, and a bath with tub shower.

Built in a natural setting of rolling countryside, brooks, and winding roadways, the homes are proving a delightful treat to the home buyer who seeks authentic traditional styling in a typical New England setting, and at a price he can afford.

Sales prices range from \$11,450 to slightly over \$18,000 depending on lot, size of home, and materials used. Lots range in size up to 100 feet wide, 450 feet deep.

Dvorak can build two-story traditional homes in this price range because of his efficient production

line building methods and labor and material saving ideas. Lumber is pre-cut, and dormers, gable ends, window and door units are prefabricated. This work, as well as the carpentry and slab construction is done by their own crews at the job site, thereby giving them positive control over the most important part of the construction. All the other trades are sublet. The pre-cutting and pre-assembly techniques result in a sizeable savings to the buyer.

"We set up a production schedule for 50% more houses than we expect to complete," President Robert Dvorak says. "This is to allow for interference from weather and other conditions beyond our control."

A new forced air perimeter heating system which Dvorak designed has proved to be an efficient heating system and saves time and material on the job. The central plenum chamber and diffuser boxes used in the radial system are concrete, precast in the company's own shop.

The site is prepared for the slab by trenching an eight-inch ditch to below the frost line for the curtain wall, and grading the area which will support the slab. An eight inch layer of gravel goes in next. Forms are used for the outside of the curtain wall. The inside is formed by a 1x12 inch strip of Fiberglass insulation encased in asphalt and held in place by paddle-like wood spacers. The plenum chamber, diffuser boxes, and channels for the Sonoairduct heat pipes are laid in place in the gravel layer. The heat duct channels are ten-inch fiber ducts cut in half. Wood spacers are used to keep the channel spread its full ten inches until the ducts are placed and the concrete is poured.

Next, a layer of Sisalkraft, or Richcraft moisture barrier is put in place over the entire slab area. It is carefully fitted into the heat duct channels and under the plenum chamber and diffuser boxes to give a continuous barrier. Joints in the paper are covered with asphalt to insure a 100% moisture proof slab.

The heat ducts are then laid in place in the fiber channels. Two inches of space are left between the ducts and the channels to allow a two-inch thickness of concrete to completely encase the ducts. A six by six reinforcing mesh is put down next and the slab and curtain walls are ready for pouring.

Dvorak uses quality materials and equipment.

Workman places six-inch heat duct in ten-inch channel. Duct is spaced from the channel to allow two inches of concrete to completely encase the duct. Moisture barrier paper is fitted under the entire system, and then sealed at the seams with asphalt



Roof shingles used are Certainteed and Johns-Manville asbestos. Some other materials are U. S. Gypsum plasterboard, Rusco Prime windows, and Nairn asphalt tile.

A partially furnished, carpeted, model home which the Dvorak Company keeps sparkling at all times, is proof of the interest in these traditionally styled homes. As many as three to four thousand visit it each Sunday. The homes are heavily advertised in the newspapers, particularly on Sundays. Dvorak believes that "properly done, newspaper advertising is the most effective medium of reaching your potential market." He does no radio or TV advertising.

Salesmen are instructed to be courteous to everyone regardless of how interested they are in a home, and to answer each person's questions to the best of their ability. Salesmen are firmly instructed not to promise the buyer anything other than what is in the specifications and plans. This rigidly enforced policy eliminates the pit-falls, serious disagreements, and misunderstandings which result from "too enthusiastic selling" by the salesmen, Dvorak believes.

"Then, too," he adds, "in the final analysis, it actually increases our sales by building confidence in the minds of buyers."

Brentwood village recaptures the charm of the Early American period with its picturesque rolling countryside and American traditional architecture. Dvorak built six distinct Colonial styles from one floor plan. His prices range from \$11,500 to \$18,000 plus





A LIFE TENANT WHO CONSTRUCTS a building on the land is entitled to depreciation deductions based on the *useful life* of the building and not on his life expectancy. (Penn. 16 TC 1947, CA-8, 10/23/1952).

Contractors and builders may use the "completed-contract" basis of reporting their income for tax purposes if they keep accurate records of each job and close them out during each year as they are completed. Overhead expenses applicable to the work must be properly prorated to reflect the deferred expense applicable to such uncompleted work at the year end. The tax court would not allow an architect-taxpayer to use this method (Bien, TC, Docket 33772, 4/1/53) in determining his income because there was no fixed rule as to what jobs were closed out annually and indirect costs could not be properly allocated to the jobs.

Advance rentals apportioned to the buyer of hotel property under a purchase contract is income to him in year of receipt and not a reduction of the purchase price, even though such rental was handled as a credit against the purchase price in closing the sale, so says the tax court. (Hyde Park Realty Inc., TC, Docket 37249, 4/1/53).

The tax court would not allow taxpayer deduction for estimated expense (Bien, TC, Docket 33872, 4/1/53) for use of a portion of his residence for business purposes, because evidence could not be produced to substantiate his claim. It is the writer's experience that many small business taxpayers fail to get credit for all deductions to which they are entitled because of the inadequacy of their accounting records. They further deny themselves of other advantages

which accrue from the use of good accounting information.

A CORPORATION DECLARED dividends on its own stock payable in a stock of a subsidiary company. The tax court decided (Fannie Hirshon Trust, TC Memo, Docket 35013, 4/3/53) that the appreciation in value, from book to fair market value, of the subsidiary's stock did not increase the available "earnings and profits" of the paying corporation for dividend purposes. The dividends in stock, based on their fair market value at time of receipt, therefore, were taxable to the taxpayer as dividends to the extent of the "earnings and profits" and the fair market of the subsidiary's stock reduced the basis of the taxpayer's holdings in the stock of the paying corporation.

OWNERS OF TWO OR MORE parcels of income producing real estate, who plan to sell such property with a resulting gain or loss, may well heed the provisions of the 1951 Revenue Act in respect of capital gains and losses. Sales at a loss may create a deductible loss in full, whether held six months or less, and sales at a profit (if held longer than six months) allow the gain be reported as capital gain. The thing to watch here is not to sell two parcels in the same year where there is a loss on one which equals the profit on the other. This would result in no income and no loss and would eliminate the privilege of using the optional method provided under Section 117 (j) of 50% of the profit on long time capital gains and 100% of the amount of the losses,

if the parcels were sold in different years.

WHO IS THE TAXPAYER?

A taxpayer who owned real estate leased it in 1946 for a term of 20 years. Rental consisted of a "guaranteed fixed rental" plus a percentage of the income from the properties. The lease agreement provided that 20% of the contingent rental should be paid directly to each of the taxpayer's three sons. The taxpayer could terminate the lease upon the happenings of certain contingencies and the lessee was to recognize the taxpayer alone as the landlord. On his 1946 return the taxpayer-lessee excluded amounts paid by the lessee to his sons. The tax court ruled that all receipts from the lease are includible in the taxpayer's income since he had full control over the lease. (Arthur T. Gault v Comm. TC, 108, Docket 27844, 2/27/53).

The tax court ruled that rent paid by a corporation to its principal stockholder-officer, for use of property belonging to such stockholder-officer, was not deductible expense because the amount of rental was indefinite and factual evidence of the amount of actual payments due could not be established by the court. The tax court decision was affirmed by the court of appeals. (Manos Amusements, CA-6, 2/19/53).

A taxpayer having a net operating loss during any accounting period, should file an accurate tax return, showing the results of his transactions in detail, so that he can use such return as a basis of recovery in later years under the carry-forward or carry-back provisions of Code Section 122-1. (Moss Industries, TC Memo 3/-26/53).

U. S. Documentary stamps on realty purchased from the U. S. Government must be affixed to the deed by the purchaser. The tax is levied on the transfer and not the person. Under Section 1809 of the Code, the United States does not need to pay for tax stamps to a deed. Where a private person is the grantee in a deed he is liable for the stamp taxes. (Endler, DC, NF 2/18/53).

Wages paid to an employee on sick leave are subject to withholding and other payroll taxes, unless such payments result from health insurance contracts or are due to workmen's compensation insurance claims. (Bureau of Internal Revenue Ruling, 3/26/53.)

Business At Home

HARDIN & Stockton Company of Kansas City, Missouri, sells homes. What could be more logical than that they carry out the motif and convert a house into their place of business? That's just what they've done.

The story-and-a-half bungalow, now their residential offices, was in bad shape when it was purchased a short time ago, and remodeling had to be done in real earnest. But, as you can see from the picture, results were satisfying.

First step was to replace the dreary double-hung windows in the front room with a single large Thermopane window. This added smartly to the appearance of the place both outside and in, and the "sun room" is now a cheerful, semi-private office for two salesmen. Additional space for four more desks was provided in the dining room by removing the long, old-fashioned window seat.

The kitchen was probably the biggest challenge. An old sink which had long outlived its usefulness was moved to the basement, is now used to wash muddy signs. A long level shelf replaced the grooved, worn drain boards. Above this shelf were the kitchen cabinets, below, shelves for pots and pans. The cabinet doors were removed and three bypassing floor-to-ceiling doors hung in front. The result was a solid

front of slab doors concealing an adequate space for all office supplies.

Two salesmen's desks are now located in the former kitchen, another in the breakfast nook, and three on the sleeping porch upstairs. The two bedrooms became private offices for the owners of the company. Rest rooms for men and women were arranged by shifting the closet in one bedroom and removing the bath tub.

The whole first floor, stairs, and sleeping porch are deeply carpeted now and acoustical tile has been applied to the ceilings to insure quiet. An attractive overall stippled paint job gave the entire interior a sunny lift. Ventilating fans in the basement keep the building fresh. Total result is a restful, inviting atmosphere in which to work.

Just as important, customers took to the idea immediately. Buying a home in a relaxing, homelike atmosphere is appealing, and most like the convenience of doing business in the suburbs — avoiding traffic jams and parking difficulties.

The public doesn't see the basement, of course, but the salesmen appreciate the recreation room partitioned off by striated plywood. It provides a comfortable place for sales meetings and a retreat for tired workers who stop for coffee or to exchange ideas.

Front room of the remodeled bungalow is now a semi-private office. Acoustical tile, an attractive stippled paint job, wall-

to-wall carpeting, and soft fluorescent lighting create a cheerful and pleasant office atmosphere for Hardin & Stockton Company





Homes Our Readers Are Building

IN HAWAII •

Free building and architectural service helps sell homes for a pioneer Hawaiian building organization

KEY to the popularity of Lewers & Cooke Limited, 100-year-old pioneers in the Hawaiian home building industry, is the all-inclusive home building service they offer free of charge to clients. Men experienced in real estate and home building help clients select the right plan, location, and materials at a price the client can afford. They estimate the cost of the home and suggest the best method of financing.

If a home owner or another builder purchases his materials from Lewers & Cooke and wants a \$10,000 or under home, he may also take advantage of their free architectural service. He may use stock Lewers & Cooke plans, or an architect will design the home or homes for him.

This service is limited to low-priced homes in order not to interfere with independent architects, who, in general, are not interested in the lower-priced homes.

Lewers & Cooke home designs have proven so attractive to visitors from the States that they are being copied in many warm localities in this country. Most are ranch-style, frame dwellings. Because of the tropical climate, no heating units and insulation are

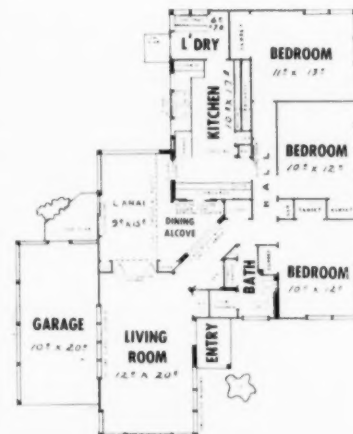
needed. Homes are made as airy as possible with wide eaves and open "lanais" (verandas).

Single-wall construction is used most often. The outer wall and partitions are made of 1 to 1 1/4-inch tongue and groove stock which is 6 to 12 inches wide. No studs are used; the exterior walls and the partitions are the supporting members.

The house illustrated here is typical of the Hawaiian style of Lewers & Cooke homes. Large glassed areas and wide overhangs are used. The floor plan, which is for another model, shows the wide use of lanais and such features as sliding louvered doors, glass block walls, louvered windows, latticed car port and built-ins.

Lewers & Cooke maintain a large sales force throughout the Islands and stress continuous personal contact in handling clients. Economy through the use of quality materials is stressed. A 15x18-inch brochure publicizes nationally advertised building materials distributed by Lewers & Cooke, as well as plans available through their home building department. Listed are such products as Sunbeam and Handyhot small appliances; Pittsburgh-Corning Glass

blocks; Kawneer shower doors and tub enclosures; U. S. Plywood's Flexwood and Micarta; Kentile asphalt tile; Kencork cork-tile; Lightolier lighting fixtures; Truscon Metal windows and doors; New York Wire Cloth insect screen; Majestic fireplaces; Briggs and Kohler plumbing fixtures and supplies; Elkay stainless steel sinks; Hall-Mack bathroom accessories; Murphy Cabranette kitchens; In-Sink-Erator garbage disposal units.



TODAY, many home buyers want the luxury of a custom-designed home in an attractive location. But it takes considerable real estate experience to bring about this combination at salable prices. Country Club Section, an exclusive residential community in Short Hills, New Jersey, is planned to do this job. The entire project is under the strict control of Frank H. Taylor & Son, Inc., East Orange real estate organization, which has had 67 years experience in real estate management, subdivision development, brokerage, and mortgage financing.

The developer is an insurance company, Prudential of America. But the company has no part in the actual construction of the homes. Design and construction are handled by independent, well-established home builders. Plans and specifications for each proposed house are carefully checked by the Taylor company for such things as neighborhood conformity, site placement, and quality before construction.

Sales are all made through the

Taylor company. Taylor offers a packaged custom home-ownership plan. The buyer is offered a wide choice of wooded home sites, Housing plans, contacts with architects and builders and both construction and permanent financing. (Initial financing, naturally, has been made available by Prudential.) All these arrangements are handled on the site in a special office at the entrance to the tract.

Ultimately, the Short Hills enterprise will have about 300 homes worth \$10,000,000. The initial unit which has nearly \$2,000,000 worth of dwellings ranging in price from \$28,500 to \$42,000, is completed and occupied. Some of the residences were built on speculation, but for the most part, the houses are custom built, with the Taylor organization correlating architect, builder, and buyer.

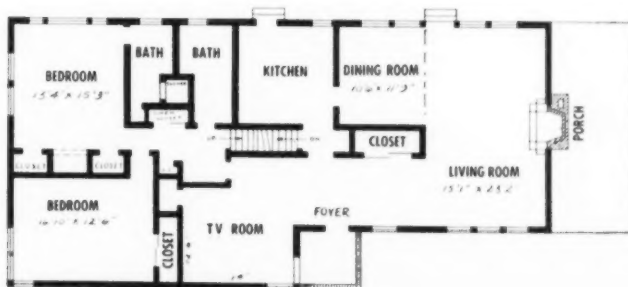
Home sites of $\frac{1}{3}$ of an acre or more sell for \$45 a foot and up, depending mostly on location. This cost includes such improvements as storm and sanitary sewers, roadways, and curbing. Two lakes and a fashionable country club

adjoin the section, which combines comforts of suburban living with a convenient location.

All advertising, both direct mail and newspaper, and publicity is channeled through the Taylor organization. Included in the promotion scheme is a distinctive one-fold pamphlet which presents a general description of the tract and a location map, and contains individual inserts of floor plans offered by the builders.

Several of New Jersey's leading architects provide home designs. To meet the requirements of specific sites, ranch type, conventional two-story, and split-level designs are all used.

Typical of the dwellings in the Country Club Section is the brick veneer, split-level model with a two car garage and two baths, illustrated here. The upper level has a large 16x23-foot room. The kitchen is equipped with an electric range, dishwasher, garbage disposal, and refrigerator, all General Electric models. With about 2,000 square feet of space, the house has such "extras" as large rooms and abundant closet space, a TV room, and spacious porch.



IN NEW JERSEY •

Success of Short Hills Country Club Section is based on experienced real estate management



How to Set Up an Appraisal Department

ARE your appraisals accurate? Are they profitable? Do you have an appraisal department that is organized for maximum efficiency?

Setting up an efficient appraisal department isn't as difficult as it sounds. And it can be an important feeder to your other departments, such as property management, home building, and brokerage. To get maximum results, however, an appraisal department must have: 1) a manager well experienced in appraisals, 2) primary and supplementary sources of information, 3) an efficient filing system, and 4) a reference library.

The manager of the appraisal department must be experienced in developing data from the sales and management departments, as well as from building costs and appraisal files. He should be a qualified appraiser, capable of testifying in court, and be a good detail man. He should be able to integrate appraisals with other real-estate activities that affect property valuation. He should be experienced with appraisal equipment which includes: work-sheets or inspection blanks, income or expense statements (essential with income-producing properties), drawing instruments, camera, and measuring instruments.

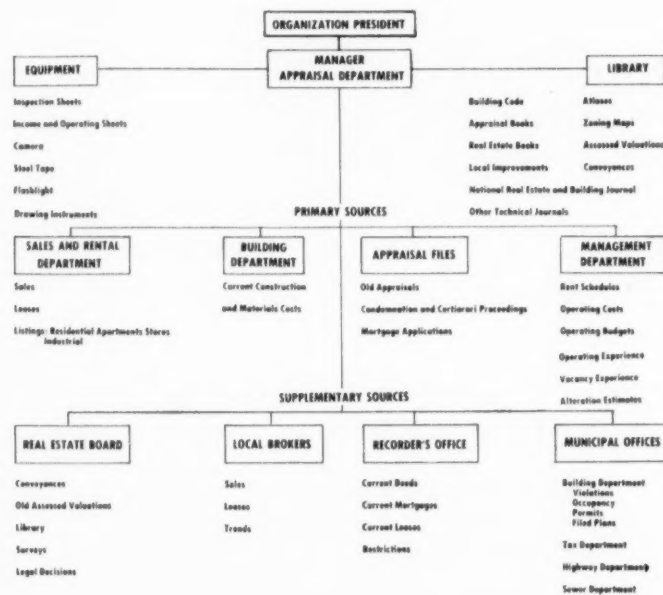
The work sheet is the framework or skeleton of the appraisal. The more information noted on it before the actual property inspection is made, the easier the inspection will be for the appraiser. In many cases, the appraiser can make notations on the margins of this form about the more important items he wants included in

the final report and turn the entire report over to a typist without further dictation.

The appraisal department can get information for its evaluations from several sources (see illustration). From the sales department, for example, information can be obtained on current conditions in leasing, sales, listings, as well as

ment department can make a summary each year of operating costs of several groups of buildings which are of similar type, age, and construction. Each item of expense should be averaged and analyzed so as to determine wherever possible a unit of cost on a cubic foot or per room basis.

Another valuable feeder is the



property demands and trends. Operation costs on different types of structures, operation budgets, occupancy trends, rental values, and structural alteration costs can be supplied by the management department. This information helps make forecasts, particularly in the capitalization process of appraising. It is helpful if the manage-

building department's file on building and materials expenditures from which construction cost information can be obtained.

Appraisal files should contain a record of every appraisal turned out by the firm. They should include certiorari and condemnation proceedings as well as mortgage applications. These files will be

An efficient appraisal department can be an important feeder to your other departments. The men you select to run it must have integrity, broad real estate experience, and ability to gather and analyze important appraisal data. They must know where to get data, how to catalog and file it effectively

valuable for making comparisons, a great aid in appraising. The files should be indexed and arranged in such a manner as to provide quick reference to any property. Here's how this can be set up:

For each property appraised, make out a card for a master file. Note the property address, block and lot numbers, types of improvements, unit lot value, and name of client. Arrange them alphabetically by street address.

Separate Appraisal Folders

Keep each appraisal in a separate folder labeled with the address of the property and filed alphabetically. Provide separate compartments for those appraisals referred to most often, which usually are those ordered by banks or other institutions which provide a sizable volume of business. Label each of these compartments with the name of the ordering institution, and file the separate appraisal folders under the respective institutions.

The general office should file in a safe place office copies of all sales and leases negotiated by the office, or a brief outline of each transaction. If it can be arranged, the sales and leasing departments should furnish the appraisal department memoranda of all transactions just as soon as they are consummated. It should include sales price and rental value, a general description of the property, and other pertinent data. Each memorandum should be placed in the master appraisal file with the card on that particular property.

It is helpful to the appraisal department if the general office has all its listings classified as to all types of dwellings, walk-up and elevator apartments (with or without stores), taxpayers, store, office and loft buildings, industrial buildings and garages, and so forth.

The reference library in the department should include various real estate and insurance atlases, zoning maps, records of current assessed valuations, books on appraisals and real estate as well as a carefully selected list of treatises on other real estate subjects.

Real estate boards, local broker, the city building department, and the county recorder's office can furnish further information. Data on conveyances, surveys and legal decisions, old assessed valuations can be obtained from board offices. Other brokers can provide facts on sales, leases, and trends.

Mortgage Market

(Continued from page 23)

bilized for a much longer period, other areas will necessarily feel the effects of any migration therefrom.

Today, it's important from the builders' point of view that they maintain steady housing production on a normal basis rather than a peak and valley production. If they should over-build it will encourage foreclosures and discourage business confidence. On the other hand, if there is a tremendous demand by artificial stimulation through large financing to returning veterans, a building boom will result and will be accompanied by an inflationary spiral that may exceed even the last great upsurge. We hope this will be controlled and that we are going back to a sounder economy. Inventories in most soft goods and other commodities near a peak which can be anticipated. There will be some cutbacks such as in the automobile industry, appliances, and the like. And when you cut back demand due to oversupply, you naturally cut down employment. This is the particular feature I think the federal government will watch carefully and, if necessary again create public works program in the form of road building and the like to balance earning power so that we will not go through a depression as in the 1930's.

I predict that over a period of the next 18 months the interest rate which is now up may rise a little higher but then will probably soften to a stabilized plateau of an average of from $4\frac{3}{4}\%$ to $5\frac{1}{4}\%$.

Savings are at their peak and if people feel employment is stabilized you can expect less operative building and more individual contract building during the coming year. Money will be tight through the rest of this year and it is anticipated that building will slacken off. But this will be a healthy condition and we can go on from there on a normal, healthy basis.

The other factor that can be helpful is the establishment of a secondary market which will encourage investors of all walks of life to invest in first mortgages.

The formation of a central discount bank that could loan any mortgage funds on any good mortgage securities, whether they be guaranteed or conventional, is to be highly desired. This could follow the Federal Home Loan Bank pattern. Where this is accomplished, the mortgage investment field will be more liquid and highly attractive.

The National Association of Real Estate Boards and Mortgage Bankers Association are now working diligently on the proper method, procedure, and vehicle to accomplish this end and provide the needed liquidity for real estate mortgages.

Room for Sales



This sturdily-planned basement room diverts wear and tear from the rest of the house. Television set is built into paneled walls. Cabinets at each side hold canned goods. Heating plant behind bar is hidden by a folding plastic panel.

Hecht Company was faced with the choice of buying several acres of low-cost land for parking space in their new shopping center, or constructing a \$3 million parking garage. Realizing the garage would cut shopper walking distance to a minimum and provide weather protection, they chose to build the 2,000 car structure in spite of its high cost. It's paying off in fast turnover and good will

VITAL to the success of the suburban, single-stop shopping center which answers all the consumer's buying needs is ample and convenient parking space. The Hecht Company of Washington, D. C., took a far-reaching view in facing this problem when they planned the new Parkington shopping center at Arlington, Virginia.

The 15-acre center is composed of a large branch of the Hecht department store with 18 perimeter stores around it. These are leased at rentals based on a percentage of their sales volume. Key to smooth customer traffic is a \$3 million, multi-level parking

building which connects the department store. The 700,000 square feet of parking space (about 16 acres) can hold 2,000 cars at one time.

According to Milton Shlesinger, operating manager at Parkington, the company had the option of buying plenty of inexpensive land for parking but chose to build the costly structure for these reasons:

"If you have ground parking for 2,000 cars, many shoppers will have a long walk to the store. Customers will be exposed to all types of weather. With a concentrated parking building, the walking distance to the department store and to every perimeter store is short. The customer's car is under a roof and he or she may walk under a roof from store to store. She may return to her car several times with packages without the frustration of checking and unchecking."

Size of the garage was determined after considering population and number of cars in the sales area, and the expected customer volume.

Parking costs 5c for the first 3 hours, collected at the gate when the driver enters. The driver is given a time-clock ticket, but he is not required to buy anything. After three hours, the charge rises sharply to 10 cents for each half hour, payable at the exit

By RUTH BOYER SCOTT



A \$3 MILLION GAMBLE

gates. (Most shoppers finish in three hours or less.)

Free parking was considered. It sounds plausible because of customer appeal and cheaper operation. A free parking garage could be operated with a payroll of three — a manager and two cleaning men. This would offer the store considerable saving over the present payroll of 18 men, who cover the entry and exit gates. But free parking defeats the purpose of suburban parking space, which is to provide easy parking for shoppers. Where free parking exists, space rapidly fills up with all-day parkers who do not shop. The present charging policy is proving psychologically sound: No one complains about the nickel charge and space is protected for shoppers.

Anyone may use the garage free at hours after the department store closes, even to the extent of all-night parking. Gates are left unlocked.

Customers park and lock their own cars. Ramps and parking levels are generously marked with arrows, "one way" and "out" signs. Three long, interrupted rows of parking islands create four lengthwise driving aisles. Each concrete supporting pillar is plainly marked with letter and number to help the customer locate his car. Between each pair of pillars, space for three cars is marked with yellow floor buttons. The result is uniform parking in eight spaced rows. Toward the front center of the garage is the elevator core, housing a stairway, restrooms on two levels, public telephones, the self-service elevator and the garage manager's office. In the two far corners are stairways, providing a legal fire exit in spite of the fireproof concrete construction and a useful connection with certain satellite stores.

The garage ceilings are low — eight feet — a savings in construction expense possible because this is a passenger car garage.

A four-wheel-drive jeep which can jump the islands is invaluable in managing the parking levels. An employee uses the jeep to push cars stalled on the ramp, or to nudge an out-of-gas car to the nearest station. In winter an eight-foot snow blade fitted to the jeep front quickly clears snow from sidewalks, driveway, and ramps.

The other motorized maintenance equipment is a gasoline sweeper. A man rides it daily before opening to sweep the arcade and pavements. A hopper on the back picks up trash. One sweeping may last five days on a parking level.

For the realtor who plans a suburban shopping center, early contact with public transportation officials and with state or country highway men is vital. The Parkington management found officials cooperative in widening the county's Wilson Boulevard and the state's Glove Road, which intersect at Parkington.

A public official who is aware of the facts, recognizes that not only may an active center pay \$100,000 in taxes, but also the value of surrounding real estate will rise and be subject to upward reassessment. Official willingness to provide good roads is one deciding factor as to whether capital can safely be invested in a specific area.



Parkington is arranged with the 16-acre, 2,000-car parking garage located in the center of the triangular 15-acre tract. The large Hecht Company store is in the foreground, and on either side of the tract are 18 perimeter stores. The five level garage is 570 x 256 feet and has five levels. It cuts shopper walking distance to a minimum, provides year-round weather protection



UNIQUE! TIME-TESTED!

and now

! DOUBLE DUTY !

(TWO GREAT SIGNS — ONE LOW PRICE)

Strikingly different in car-top use! Set up in two minutes, stores flat as a briefcase. Visible for blocks in BOTH directions. 30 second conversion to A-frame curb use.

MONEY-BACK SATISFACTION GUARANTEE

Send check with order blank below

ACTION SPECIALTY SIGN COMPANY
2173 S.W. Jefferson Portland 1, Oregon

Please rush our order as checked below:

One 24x30" 'OPEN' sign at \$10.00 FOB ☐

— 24x30" 'OPEN' signs at 2 for \$17.50 FOB ☐

— 19x24" 'OPEN' sign(s) at \$_____ post paid

(19x24" size: \$9.75 ea. East; \$8.75 ea. West of the Rockies, All Postage Prepaid. 6 or more 24x30" shipped Express Prepaid.)

CASH or LONG TERM LEASE FOR HOTEL PROPERTIES!

Why not lease or sell your hotel to the world's largest hotel chain operating from

COAST TO COAST

Our representatives will be glad to call on you and discuss your terms

For satisfactory arrangements, utmost dependability and outstanding security —

WRITE or CALL COLLECT, H. J. DALDIN,
REAL ESTATE DEPARTMENT, 3500 BOOK
TOWER BUILDING, DETROIT 26, MICHIGAN
'PHONE Woodward 2-5400

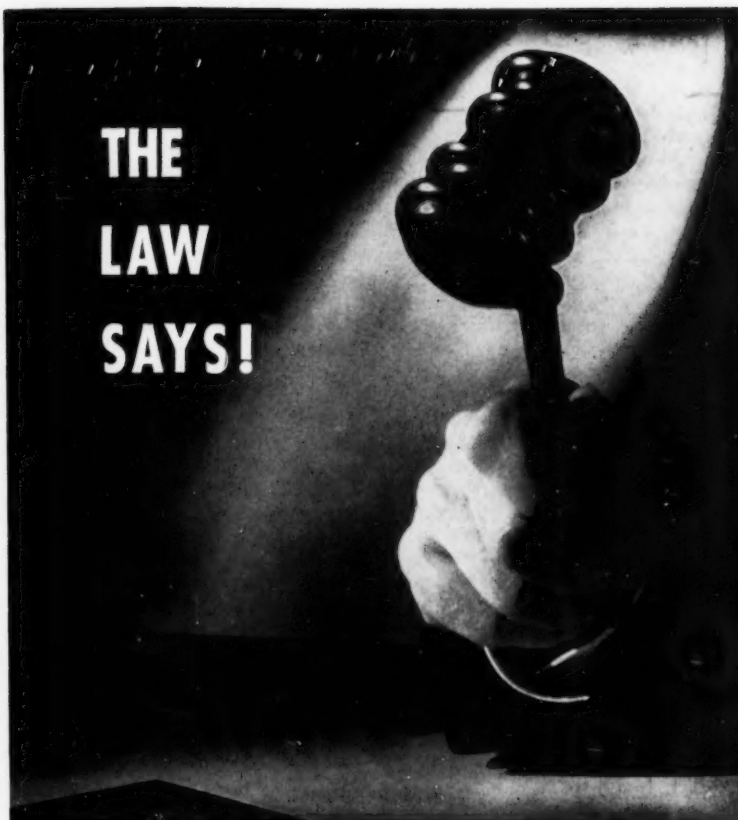
By GEORGE F. ANDERSON

WUMP walked into a real estate office to list his property for sale. The broker talked the matter over fully with him and then asked him if he cared to sign an exclusive. Wump said "I guess that's alright." The broker drafted an exclusive and Wump signed it. The broker said, "How about the wife signing?" Wump said, "I have no wife—thank God." The broker found a buyer and the deal was to be escrowed. A deed was prepared, "Werner Wump, a bachelor." The grantor luckily saw this before he signed and said, "I'm not a bachelor, I'm divorced." The broker called up the title office to get the low down on such a situation. The lawyer told him that if the wife got the divorce and there was nothing to the contrary in the decree, the wife had a dower interest in the real estate. This was a correct statement of the law and a nice little point for you to tuck away for future use. Wump said, "My wife sign, not in a hundred years!" I won't repeat the name he called her. The deal fell through and it was lucky Wump discovered the error in the deal. If it had gone into escrow the C. T. & T. Co. would have discovered it, and the deal would have to be undone and while this would have been possible it would have been more of a mess.

IT is not permissible to show that while the contract says one thing the understanding was something else. If, for instance, a lease provided that the lessee should make certain repairs, it would not be permissible to show that the understanding was that the lessor should make them. There is nothing about this rule that prohibits the parties from changing the contract after it is made.

In the case of *Haight vs. Cohen*, 108 NYS 502, the landlord told the tenant that if he made certain repairs the landlord would reduce the rent from \$2,700 to \$2,500. The tenant made the repairs, but when he insisted on the reduction in rent the landlord said he was trying to vary the contents of a written instrument by parol evidence but the court couldn't see it that way.

"The arrangement being subsequent to the written contract, it was perfectly competent for the parties to make a contract either in



Does a divorced wife have rights to her former husband's real estate which is up for sale? Can a contract be changed once it's made? Are you sure you know what the term "book value" means in a contract? Here are the answers from the JOURNAL's legal expert

parol or in writing which should supercede the lease either in part or in whole. The defendant claimed that the lessor agreed before the lease was made that the premises, the subject of the lease, should be in good condition and not encumbered with any so-called violations. Consideration for such subsequent agreement is to be found in the circumstance that the defendant was to make repairs before the term commenced and remove the violations that then existed, which by the terms of the written lease he was not required to do, for the lease itself dealt only with the defendant's obligation in these respects during the term."

THERE was a man who bought a large block of stock from a corporation but the corporation reserved the right to repurchase the same at any time at "book value," and this was done by a properly drawn agreement. This seemed fair enough because the corpora-

tion was prospering and the book value was enhancing, and if the corporation exercised its option the man would get the benefit of this enhancement besides having enjoyed the dividends during his ownership. If he had come to you, you would have drawn the agreement for him. I don't think you would have seen any catch in it.

The corporation bought 1,000 shares of stock at par in a newly organized corporation. It naturally and properly carried this stock on its books at \$100,000. This stock increased in value to \$3,000,000, and the corporation properly continued to carry it on its books at cost. This was proper according to the rules of accounting and according to income tax laws.

The corporation did not exercise its option to buy back the stock at "book value." You see that the phrase "book value" may be a "hex" and come back to haunt you, so beware, beware.

TV Advertising

(Continued from page 30)

transmitted description of not more than 50 words."

Rates run from this low figure of \$9 to a maximum of \$25 for a one time telecast of one ad. As a rule, one time spots are not sold, but when one can be fit in, the thirteen week minimum is waived.

Video Advertising Associates will make photographs of the properties offered, and performs this service for cost, in order to guarantee the quality of the photographs. They hire the 'best' real estate photographer in the Twin Cities to take the shots. In reality, they often lose money on some shots of homes in remote sections.

The contract reads: "Participant (realtor or builder) agrees to furnish addresses for photography (or photographs) no later than Thursday noon, and all copy no later than Friday noon preceding scheduled program, Sunday 12:00-12:30 p.m."

This gives the photographer two or three days in which to pick the best time for the photography, and the result is better photographs.

During slack seasons, the program runs about 38 properties per

half hour, and during the rush season about 42. This gives at least 40 seconds of time to each Video-ad. During the greater part of the year, they could run from 125 to 200 properties if the TV time were available. There are usually 14 participants each week, each showing an average of three properties.

Disadvantages

There are definite disadvantages to TV advertising in addition to those mentioned by Coplon: 1) Small organizations often don't have enough good listings to warrant a thirteen week contract. 2) In order to test TV properly, the broker must sign a contract to spend about \$400. Some brokers can't or won't spend that much to test TV.

Program Promotion

In order to get such a large listening audience, "Parade of Homes" had to be promoted. The television station runs newspaper program ads, and often includes "Parade." Video Advertising Associates also runs newspaper ads, as well as ads in *TV Program Guide*, distributed in the Twin Cities. Probably the best promotion of all is that done by the

sponsors themselves, in which they tie in newspaper classifieds with the program. See illustration for the system they use to attract an audience.

Pays to Personalize

(Continued from page 33)

young men in the area were drafted to go away and fight except the old man's son, who being temporarily injured, was not required to go."

Our Responsibilities

This could be an endless story, couldn't it? We're constantly beset by such things throughout our business lives. Storms are normal in every climate — including our lives. We can't control the storms, but we can learn how to meet them, roll with the punches, and find out that "things born in the fire never fade in the sun." Applying this thought to real estate means assuming the responsibility to share in burdens as well as the profits. This means more qualified men should spend a part of their time in the business of management and raise the general feeling about real estate to higher level in the minds of those in the lowest economic bracket.

NOW READY NIRENSTEIN'S NEW ATLAS OF THE CENTRAL STATES

Most Extensive Real Estate Survey of
the Downtown Retail Business Districts

CONTAINS

- 13—States
- 64—Charts
- 7—State Pages
- 58—Principal Cities
- 11—Decentralized Areas
- 115—Aerial Views (16"x12 1/2")
- 1086—Photographs
- 1903—Strategic Locations
- Clocked and Checked
- All Bus Stops in Areas Covered
- All Maps Measure 27"x39" When Opened
- All Maps Bound in an Attractive Loose-Leaf Folder

WRITE NOW

FOR ILLUSTRATED BROCHURE

NIRENSTEIN'S NATIONAL REALTY MAP CO.
377 Dwight St. Springfield 3, Mass.

Need Mortgage Money?

Want to Know Where You Can Get It On the Best Terms?

Pick up your 'phone and talk *personally* with the men who buy real estate mortgages for mutual savings banks and insurance companies all over the United States.

All you need is

1. a copy of our up-to-the-minute compilation of 527 Mutual Savings Banks in the U.S. which have investments in mortgages.
2. a copy of our latest compilation of 400 Legal Reserve Life Insurance Companies which buy and lend money on real estate.

Here, in nearly all instances, are the *names* of the men who can buy your mortgage on the best terms — the *mortgage loan officer* and the head of the real estate department of each bank, and of each insurance company.

Big profits can be made from these two services. Their cost is small — \$14.50 for the list of Mutual Savings Banks — \$19.50 for the Life Insurance list — only \$29.50 for both.

Mail your order and your check **TODAY** to

NEW YORK LEGAL EXCHANGE, Inc.

ESTABLISHED 1927
550 Fifth Avenue, New York 19, N. Y.

Product Progress

(Continued from page 16)

refrigerator comes covered with a washable, color-fast fabric and a spare cover. The inside, which claims seven different temperatures, is green in color. Other features include foot-pedal door control, automatic defrost and full width freezer chest at the top.

Mixed-Up

A new tilting concrete mixer is now being marketed by Muller Machinery Company, Inc. of Metuchen, New Jersey. It has a capacity of nine cubic feet of loose materials or six cubic feet of mixed concrete and is equipped with a Briggs and Stratton air-cooled gasoline engine. The mixing drum is of pressed steel welded construction, claimed to be leak-proof and unbreakable.

Safety First

Sentinel of Safety, Inc., of Los Angeles have announced what they claim to be a fool-proof, permanent and completely automatic fire alarm system for homes. The new unit will give a warning signal when any abnormal temperature is reached. To accommodate individual requirements, it can be set to activate at any degree of temperature up to 225 degrees. Automatically discriminating between normal and abnormal heat rise, the unit resets after activation, eliminating replacement costs. The company claims continuous protection by a trouble buz-

zer which sounds in the event of any break or short circuit in the system.

It's Magic

The Building Products Division of the American Welding and Manufacturing Company, Warren, Ohio has announced a slide-away door and frame unit. The new door can be made to disappear at a finger touch into a wall recess. Available with baked-on prime coat with a choice of finger pulls or latch sets and colors. The steel doors measure a standard 2'6" or 2'8".

Hearts 'N Flowers

American Cabinet Hardware Corporation of Rockford, Illinois has introduced a line of colonial door hardware in three finishes to match Amerock colonial cabinet hardware. The new door hardware includes thumb latches, 14" and 18" strap hinges, butt hinges, hinge straps and an extra large cupboard latch. All items carry the authentic heart pattern and are available in colonial old weathered black, antique copper, and Swedish iron.

Tight as a Drum

An invisible waterproof sealer that the manufacturers claim will not discolor or change the finish of masonry surfaces to which it is applied is being marketed by Raygee Paint and Varnish Company, Philadelphia. Labeled Rayseal, the new product can be brush or spray applied on any exterior or interior masonry surface. Only one application is required and it can be applied to previously painted surfaces.

Perfect Fit

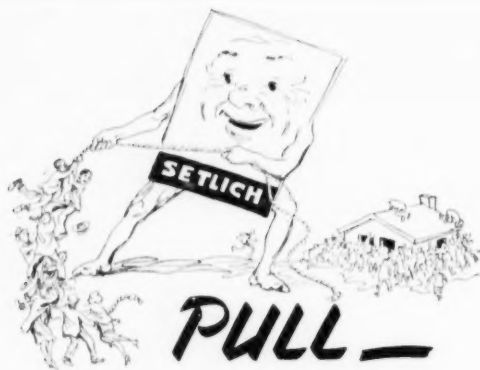
The Steelcraft Manufacturing Company of Ross, Ohio has developed a steel casement window especially adapted for the installation of standard air conditioning units. The new windows, which eliminate removal of any window parts, are manufactured in four standard sizes. The window has an adjustable member that the company says will accommodate practically any popular make of room air conditioner.

Through the Looking Glass

The Barclay Manufacturing Company of New York has added to its line a new translucent fiber glass paneling, Barclite, which is made of a polyester resin, reinforced with Owens-Corning Fiberglas, is available in five colors. The corrugated sheets have a two and a half inch pitch and both the corrugated and the flat sheets are 96" long and 26" wide. The manufacturer says that it is weather-proof, rot-proof, fire resistant and will withstand temperature extremes.

Latch on to this

A new line of standard duty cylindrical locksets is being merchandized by P & F Corbin Division of The American Hardware Corporation, New Britain, Connecticut. The Defender line offers ball bearing latch bolt retractors, dual bearings to prevent knobs from becoming wobbly and concealed attaching screws and knob retainers. Installation requires the drilling of only two standard-size holes and a shallow mortise for the face plate. The locks are fully reversible and adjustable for doors 1 3/8" to 1 3/4" thick.



PROSPECTS WITH A SETLICH SIGN

Want prospects to see your listings? Sure you do! Then pull them in with a Setlich Sign. Years of research and experiment in the real estate field have given Setlich Sign the pattern for producing signs that not only attract prospects but give your company the personal appeal that makes your listings easier to sell.

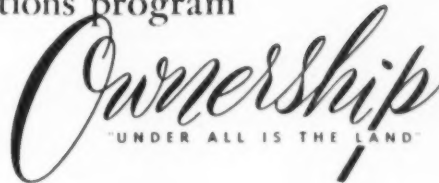
Your sign represents *you*, so make sure it reflects quality. Be certain that it has the prospect-pulling ingredients that make Setlich Sign the favorite with real estate men and women everywhere.

For Signs That Sell — See Setlich

WRITE FOR CATALOG OR CALL REPUBLIC 8844
SETLICH SIGN COMPANY
1300 S. LACLEDE STATION RD., ST. LOUIS 19, MISSOURI

Announcing

A new public relations program



From time to time leading Realtors have suggested the need for a program that would help them keep in closer contact with the key men and women of their community — a plan to activate old friendships and make new ones, to maintain goodwill, build prestige and enhance a reputation for leadership. To answer this need, NATIONAL REAL ESTATE AND BUILDING JOURNAL will make available an entirely new Public Relations Program. OWNERSHIP MAGAZINE will tell the up-to-date real estate story interestingly and authentically to the influential people of your community. It will concern itself with all principal phases of a Realtor's activities — residential, commercial, industrial, financing, and insurance.

The exclusive franchise for the use of OWNERSHIP will be available to Realtors only, and will be awarded to only one qualified firm in each community. If you are interested in being considered for the individual franchise in your community, address your inquiry to

National Real Estate Section

ONE COMPLETE SERVICE

SIGNS

EVERYTHING
FOR
REAL
ESTATE

• PRINTING
• METAL STAKES
• WINDOW DISPLAYS

SIGNS on Metal, Masonite,
Aluminum, Cardboard
(Velva-glo or waterproof)

WRITE US YOUR NEEDS...
PROMPT SERVICE



"WE SIGN THE NATION"

ACTIVE DISPLAY ADV.
1702 W. 19th ST., CHICAGO 8, ILL.

AAA-1 rated Jr. Dept. Store Chain will lease or buy 25 to 60 ft. frontage in 90 to 100% area in cities 25,000 to 100,000 anywhere. Will also lease space in large suburban shopping centers East of Miss. River. Brokers' cooperation invited. Edw. Mitchell, 276 5th Ave., N. Y. C.

Training FOR

FUTURE REAL ESTATE

Brokers, Appraisers, Managers

Investigate our Home Study and Residential courses in Real Estate. Includes all phases of the business. Send for big FREE CATALOG today. No obligation.

WEAVER SCHOOL OF REAL ESTATE

Dept. RE

Suite 300 Law Bldg. Kansas City, Mo.

SIGNS FOR REALTORS — 100% special processed water-proof board. Will last indefinitely. Standard size 14"x22". Your design or our own professional designing. Any two colors. In lots of 100, .35c each. Satisfaction guaranteed — Prompt delivery.

ECONOMY PRINTERS

9308 S. Wentworth

Chicago 20, Ill.

SIGNS

Baked Enamel on 30 gauge Metal
Write for Illustrated Literature and Prices

LANCELOT STUDIOS

100 SEVENTH ST., PITTSBURGH 22, PA.

**REALTORS
SIGN
SERVICE**
BAKED • 30 GAUGE • 14" X 20" LOTS 44 EA.
1 TO 9 DAY DELIVERY P.O. BOX 1022
GREENVILLE, S.C.



*Among
Ourselves*

A tight mortgage market apparently isn't the only problem facing the home market. In a blistering speech last month before the annual meeting of the U. S. Chamber of Commerce, Elizabeth Gordon, editor of *House Beautiful*, warns of the influence on new home design of a group which advocates the "International Style" of architecture. She says the group is well established and is selling the idea that "less is more" in new home design, that it is a criterion for beauty and a basis for judgment of the good life. She says they promote unlivability, stripped-down emptiness, lack of storage space and therefore lack of possessions, lack of gadgets and conveniences.

This may sound incredible, but some people are taking such nonsense seriously, according to Miss Gordon, — because the propaganda comes from highly-placed individuals and highly-respected institutions. "The American people want everything — comfort, beauty, convenience," she says, "but they don't know exactly what these things are. That so few prospects are informed about what a house could be is one of the greatest handicaps to home building progress."

The lady editor believes only 10 to 15% of the nation's home builders and home buyers are fully informed — educated in the extraordinary possibilities available to them — products, engineering, and in the small but so important amenities of design which make a home "gracious" and attentive to both emotional and physical needs.

This small percentage, she says, leaves 85% of the market prey for purveyors of the theory that "less is more" and for the suave merchandiser and fast-talking promoter.

We won't quarrel with the lady editor that this situation exists, but we doubt that it's as serious as she would have us believe. We question that the American people are being hoodwinked. We think they're smarter than that — that they know, for the most part, what they want. Those wants are dictated to a degree by availability and custom, but Realtors and builders couldn't stay in business long unless they were keeping abreast of market demand. True, there are some members of our industry who "build and get out" without a thought to providing lasting value and comfort in their homes. And certainly more money should be spent on housing research. But most members of our industry are honestly trying to provide the type of homes people want at a price they can afford. As for home buyers, most of them would like to have the elegant, luxurious houses pictured in some magazines, but there's a matter of money. Ability to pay is important.

News Nibblings — Nathan Manilow, Chicago, elected president of American Community Builders, Inc., the organization which planned and built the completely integrated town of Park Forest at a cost of \$100 million. . . . Paul Starret, Indianapolis, has become a partner in the 28-year-old property management firm of Klein & Kuhn. . . . Arch Madden, Des Moines, prominent realtor injured during the 1952 NAHB convention when a piece of equipment in an exhibit exploded, attended last month's NAREB board of directors meeting at the Drake Hotel in Chicago. . . . E. W. Rudert's name was accidentally omitted as president of the Pittsburgh Real Estate Board in the 1953 Roster. His address is 711 Washington Rd.

CONSULT THESE SPECIALISTS...

FOR REAL ESTATE SALES

- DENVER, COLO.
Garrett-Bromfield &
Co.
Security Bldg.
- NEW YORK, N.Y.
Fass & Wolper, Inc.
7 East 42nd St.
Main Street Properties
Anywhere in
the U.S.A.
- FORT LAUDER-
DALE, FLA.
Jack Higginbotham,
Realtor
601 E. Las Olas Blvd.
- WICHITA FALLS,
TEX.
Ray Keith Realty
Co.
P.O. Box 2195

FOR EXPERT APPRAISAL SERVICE

- COLUMBUS, OHIO
William P. Zinn &
Co.
37 North Third St.
- NEWARK, N.J.
Harry J. Stevens
M.A.I.
478 Central Ave.
- EAST ORANGE,
N.J.
Godfrey F. Preiser,
M.A.I.—S.R.A.
1 N. Harrison St.
- NEWARK, N.J.
Van Ness Corp.
H. W. Van Ness,
President
24 Commerce St.
- LOUISVILLE, KY.
H. S. O. Wright
302 Fairlawn Rd.
- NEW YORK, N.Y.
Scientific Appraisal
Corp.
7 East 42nd St.
\$200,000 values and
up only
- MINNEAPOLIS,
MINN.
Norman L. Newhall,
M.A.I.
519 Marquette Ave.
- PHILADELPHIA,
PA.
Richard J. Seltzer,
M.A.I.
1422 Chestnut St.
- NASHVILLE,
TENN.
Biscoe Griffith Co.
— Since 1914 —
214 Union St.
Tenn. — Ky. — Ala.
- ST. LOUIS, MO.
Otto J. Dickmann,
M.A.I.
1861 Railway Ex-
change Bldg.

- TOLEDO, OHIO
Howard W. Etchen
M.A.I.
Etchen-Lutz Co.

FOR IDEAL STORE LOCATIONS

- ALLENTOWN, PA.
The Jarrett
Organization
842 Hamilton St.
"Specializing
Eastern Penn."
- NEW ORLEANS,
LA.
Leo Fellman & Co.
829 Union St.
- SARASOTA, FLA.
Don B. Newburn
144 So. Pineapple
Ave.
- AUGUSTA, GA.
Sherman-Hemstreet
Realty Co.
801 Broad St.
- SCHENECTADY,
N.Y.
R. C. Blase
509-511 State St.
- BALTIMORE, MD.
B. Howard Richards,
Inc.
Morris Bldg.
- TOLEDO, OHIO
The Al E. Reuben
Co.
618-20 Madison Ave.
- COLUMBUS, OHIO
William P. Zinn &
Co.
37 North Third St.
- TULSA, OKLA.
H. F. Bradburn
1921 E. 13th St.
- KANSAS CITY,
MO.
Moseley & Company
Retail, Wholesale,
Industrial
Suite 1111, Insur-
ance Exch. Bldg.
- WASHINGTON,
D.C.
Shannon & Luchs
Co.
1505 H St. N.W.

FOR FARMS AND RANCHES

- BRADENTON,
FLA.
Walter S. Hardin
Realty Co.
26 years experience
Hardin Bldg.,
402 12th St.

FOR LAND PLANNING

- PENSACOLA, FLA.
R. D. Comstock
1601 E. Gonzalez St.
- WILMETTE, ILL.
Myron H. West
916 Greenleaf Ave.

FOR PROPERTY MANAGEMENT

- COLUMBUS, OHIO
William P. Zinn
& Co.
37 North Third St.
- DENVER, COLO.
Garrett-Bromfield
& Co.
Security Bldg.
- TOPEKA, KAN.
Greenwood Agency
108 East Seventh St.

FOR INDUSTRIAL SITES AND PROPERTIES

- ALLENTOWN, PA.
The Jarrett
Organization
842 Hamilton St.
"Specializing
Eastern Penn."
- KANSAS CITY,
MO.
Moseley & Company
Retail, Wholesale,
Industrial
Suite 1111, Insur-
ance Exch. Bldg.
- COLUMBUS, OHIO
William P. Zinn
& Co.
37 North Third St.
- MEMPHIS, TENN.
F. O. Bailey &
Co., Inc.
128 Monroe Avenue
- CONNECTICUT
AND VICINITY
Nathan Herrup, Inc.
61 Allyn St.
Hartford
- ST. LOUIS, MO.
Otto J. Dickmann,
M.A.I.
1861 Railway
Exchange Bldg.
- ENGLEWOOD,
COLO.
Wilson & Wilson
2868 S. Broadway
- SCHENECTADY,
N.Y.
R. C. Blase
509-511 State St.
- INGLEWOOD,
CALIF.
Emerson W. Dawson
P.O. Box 555
- TORONTO,
CANADA
Shortill & Hodgkins
Limited
2781 Yonge St.

- WICHITA FALLS,
TEX.
Ray Keith Realty
Co.
P.O. Box 2195

Rates for Advertising In the "Consult These Specialists" Department:

	Per Issue
2 lines — 12 issues	\$3.00
2 lines — 6 issues	\$3.50
2 lines — less than 6 issues	\$4.00
Additional lines, 50 cents per issue.	
No charge for city and state lines.	

Cut over-all construction costs 20% with Gunnison Homes

• Think what a competitive edge you have when your over-all construction costs are as much as one-fifth less than those of the builder down the street. And that's just the edge you have over comparable conventional construction when you build Gunnison Homes, a product of United States Steel.

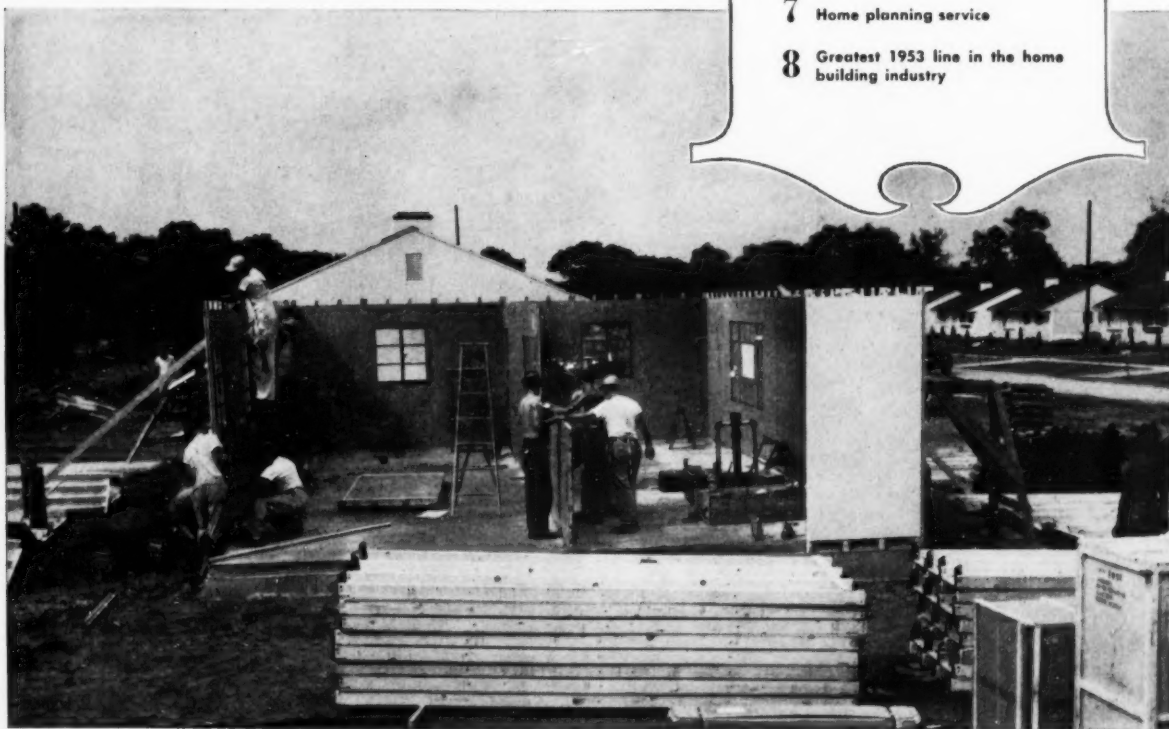
There's no compromise with quality to achieve these savings. They are the direct result of on-the-site savings in time and labor due to Gunnison's application of pre-engineering methods to home construction.

These savings are only one of the benefits you receive when you follow Gunnison Homes' "eight-point path to profits." Check the list and you'll see how much each of these points can mean to you. If you are interested in joining this successful enterprise, write to Gunnison Homes, Inc., on your business letterhead.

GUNNISON HOMES'

"Eight-point path to profits"

- 1 Lower over-all construction costs
- 2 Helpful interim financing
- 3 Competent technical and sales assistance
- 4 National name recognition
- 5 Advisory financial service
- 6 Elimination of architectural and material problems
- 7 Home planning service
- 8 Greatest 1953 line in the home building industry



USS Gunnison Homes

Manufactured by Gunnison Homes, Inc., New Albany, Indiana

"Gunnison"—trade-mark of Gunnison Homes, Inc.

SUBSIDIARY OF UNITED STATES STEEL CORPORATION